August 17, 2026

To,

BSE Ltd. Listing Department, P. J. Towers, Dalal Street, Mumbai – 400 001. **(Scrip Code: Equity - 544484),**	**National Stock Exchange of India Ltd.** Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051. **(Symbol: BLUESTONE, Series EQ)**

Dear Sirs/ Madam,

Sub: Submission of Annual Report 2025-26 along with the Notice of 15th Annual General Meeting pursuant to the provisions of Regulation 30 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Regulation 30, 34 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we submit herewith a copy of the Annual Report for the Financial Year 2025-26 along with the Notice of 15th Annual General Meeting (AGM) of the Company.

The 15th Annual General Meeting of the Company will be held on Monday, September 14, 2026 at 04:30 P.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without physical presence of the members of the Company at a common venue in terms of the applicable provisions of the Companies Act, 2013 and rules framed thereunder and General Circular No. 03/2025 dated September 22, 2025 read with earlier circulars issued from time to time in this regard by the Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 read with all previous Circulars / Master Circular issued from time to time in this regard by the Securities and Exchange Board of India.

Please be informed that the Company is providing e-voting facility to its members in respect of resolutions to be passed at the AGM. The Company has engaged the services of National Securities Depository Limited (NSDL) as the authorized agency to provide remote e-voting facility. The remote e-voting facility shall be kept open from Friday, September 11, 2026 at 9:00 A.M. (IST) to Sunday, September 13, 2026 at 5:00 P.M. (IST) for members to cast their votes electronically. The cut-off date for voting (including remote e-voting) shall be Monday, September 07, 2026. The detailed instructions with respect to voting have been mentioned in the Notice of AGM.

The Annual Report for the Financial Year 2025-26 along with the Notice of 15th AGM is being sent to members through email whose email addresses are registered with the Company/its Registrar and Share Transfer Agent ("RTA") / Depository Participants ("DPs"). The same is also available on the website of the Company viz.

BlueStone Jewellery and Lifestyle Limited
[Formerly Known as BlueStone Jewellery and Lifestyle Private Limited]
Reg. off : Site No. 89/2 Lava Kusha Arcade, Munnekolal Village, Outer Ring Road, Marathahalli, Bangalore - 560037 statutorycompliance@bluestone.com
www.bluestone.com CIN: L72900KA2011PLC059678
Corporate off: 302, Dhantak Plaza, Makwana Road, Marol, Andheri East, Mumbai - 400 059, Maharashtra.
Contact No: 080 4514 6904

https://kinclimg1.bluestone.com/static/ir/ar/BlueStoneAnnualReport2026.pdf and the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively.

Kindly take the above on your record.

Thanking you,

Yours Faithfully,

For BlueStone Jewellery and Lifestyle Limited
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)

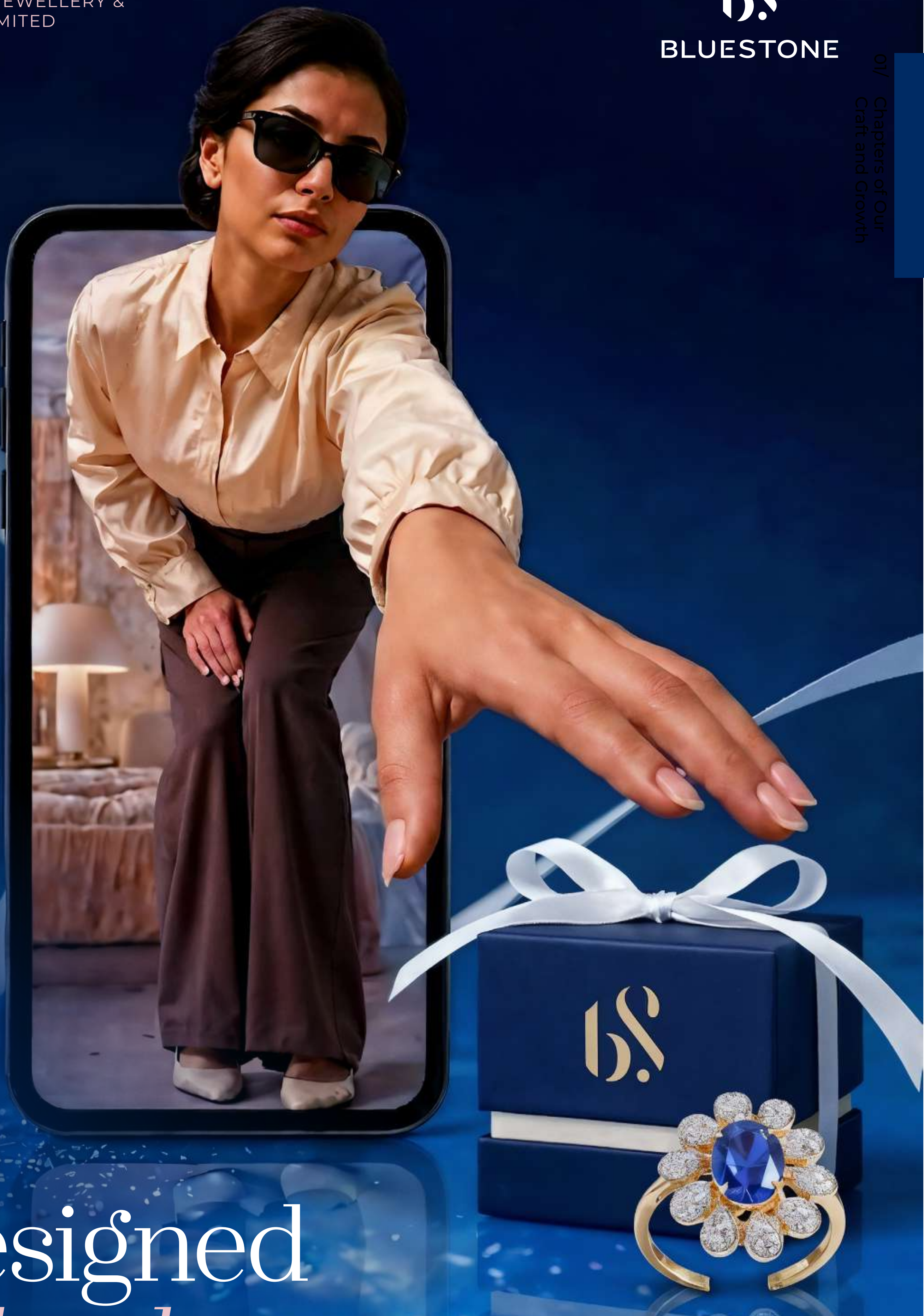
Gaurav Singh Kushwaha
Digitally signed by Gaurav Singh Kushwaha
Date: 2026.08.17 19:35:29 +05'30'

Gaurav Singh Kushwaha
Managing Director
DIN: 01674879

Encl: As above

BLUESTONE JEWELLERY &
LIFESTYLE LIMITED

BLUESTONE



Designed *to lead*

ANNUAL REPORT **2025-26**

Corporate Information

CIN: L72900KA2011PLC059678

Date of Incorporation:
July 22, 2011

Registered Office:
Site No. 89/2, Lava Kusha Arcade, Munnekolal Village, Outer Ring Road, Marathahalli, Bengaluru - 560 037, Karnataka, India

Corporate Office:
302, Dhantak Plaza, Makwana Road, Marol, Andheri (East), Mumbai - 400 059, Maharashtra, India

BOARD OF DIRECTORS

Mr. Gaurav Singh Kushwaha
Chairman and Managing Director

Mr. Prashanth Prakash
Non-Executive Director

Mr. Sameer Dileep Nath
Non-Executive Director

Mr. Rohit Bhasin
Independent Director

Mr. Rajesh Kumar Dahiya
Independent Director

Ms. Neha
Independent Director

KEY MANAGERIAL PERSONNEL (KMP)

Mr. Gaurav Singh Kushwaha
Chairman and Managing Director

Mr. Rumit Dugar
Chief Financial Officer

Mr. Paras Shah
Company Secretary
(wef from July 15, 2025 to June 30, 2026)

Ms. Jasmeet Kaur Saluja
Company Secretary
(resigned wef from April 30, 2025)

SENIOR MANAGERIAL PERSONNEL (SMP)

Mr. Sudeep Nagar
(Chief Operating Officer)

Mr. Vipin Sharma
(Chief Merchandising Officer)

Mr. Harshit Kulin Desai
(Chief Manufacturing Officer)

Mr. Mikhil Raj
(Chief Product Officer)

Mr. Tarun Rajput
(Head Engineering)

Mr. Gaurav Sachdeva
(Chief Retail Officer) (ceased as SMP with effect from March 09, 2026)

MEMBERS OF COMMITTEE

AUDIT COMMITTEE
Mr. Rohit Bhasin – Chairman
Mr. Rajesh Kumar Dahiya – Member
Mr. Sameer Nath – Member

NOMINATION & REMUNERATION COMMITTEE
Mr. Rajesh Kumar Dahiya – Chairman
Ms. Neha – Member
Mr. Prashanth Prakash – Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE
Mr. Rajesh Kumar Dahiya – Chairman
Ms. Neha – Member
Mr. Prashanth Prakash – Member
Mr. Rohit Bhasin – Member

ENVIRONMENTAL, SOCIAL AND GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Mr. Rajesh Kumar Dahiya – Chairman
Mr. Prashanth Prakash – Member
Mr. Rohit Bhasin – Member

RISK MANAGEMENT COMMITTEE
Mr. Rohit Bhasin – Chairman
Ms. Neha – Member
Mr. Rajesh Kumar Dahiya – Member
Mr. Sameer Nath – Member

OPERATIONS COMMITTEE
Mr. Gaurav Singh Kushwaha – Chairman
Mr. Sameer Dileep Nath – Member
Mr. Rumit Dugar - Member

AUDITORS:

STATUTORY AUDITOR
M/s. M S K A & Associates LLP, Chartered Accountants (Previously known as M/s. M S K A & Associates, Chartered Accountants)

INTERNAL AUDITOR
M/s. Sudit K Parekh & Co LLP
(w.e.f. January 14, 2026)

Nexdigm Private Limited
(upto January 13, 2026)

REGISTRAR AND SHARE TRANSFER AGENT

KFIN TECHNOLOGIES LIMITED
Selenium, Tower-B, Plot No. 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi 500 032, Telangana, India

STOCK EXCHANGE WHERE SECURITIES ARE LISTED

BSE LIMITED
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED
The National Stock Exchange of India Limited
Exchange Plaza, Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051

MANUFACTURING UNITS

MUMBAI, MAHARASHTRA
Plot No. 107, Marol Cooperative Industrial Estate, Sir M V Road, Andheri (East), Mumbai – 400 059, Maharashtra

JAIPUR, RAJASTHAN
G-976 to G-978, Near Balaji Market, RIICO Industrial Area, Sitapura, Jaipur – 302 022, Rajasthan

SURAT, GUJARAT
Plot Nos. S – 06 & 07, Gujarat Hira Bourse, Gem and Jewellery Park, Pal – Hazira Road, Ichchhapore, Surat – 394 510, Gujarat

BANKERS

Axis Bank Limited
HDFC Bank Limited
Kotak Mahindra Bank Limited
Yes Bank Limited
IDFC First Bank Limited

Inside

Chapters of Our Craft & Growth

Statutory Reports

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Forward-looking Statement

BLUESTONE

DESIGNED TO LEAD

In a category built on convention, we lead with distinction.

At BlueStone, design is our first language. Every collection starts not with a trend to copy, but with a point of view to express — a belief that jewellery should feel personal, contemporary and unmistakably ours. Our in-house design studio turns that belief into distinctive pieces built around how people actually live and wear today: versatile, expressive and made to be chosen, not just admired. This is how we create designs that stand apart in a crowded market — and why consumers recognise a BlueStone piece as a BlueStone piece.

Leadership in our category is rarely incidental. It is envisioned, shaped and built with intent — and for us, that intent begins with design.

Design is how we think, create and engage. Every piece is the outcome of a deliberate creative process: understanding the modern consumer, interpreting evolving tastes, and translating them into jewellery that feels both timeless and of-the-moment. In a category rooted in tradition, this design-led approach is what keeps us distinctive.

We design for the digital-first consumer — someone who expects choice, individuality and pieces that reflect who they are. That expectation shapes everything we create, allowing us to build a portfolio of differentiated designs and deeper relationships grounded in personalisation, choice and self-expression.

Design, for us, is more than an aesthetic principle. It is a strategic lens — one that shapes how we evolve our collections, sharpen our creative identity and stay responsive to a changing market.

"Designed to Lead" reflects this philosophy. It is a deliberate choice to lead through design thinking: to create rather than follow, to set the aesthetic direction of the category, and to grow in step with a dynamic market rather than behind it.

Looking ahead, this design-first identity is what positions us to shape — not just participate in — the future of jewellery in India.

Because leadership, at its best, is designed.

ABOUT THE REPORT

2026 Annual Report – A testament to our journey

India's design-first jewellery brand — original by intent, distinctive by design.

BlueStone spans the full spectrum of fine jewellery — everyday, lifestyle and occasion wear — designed around how consumers actually live. The internet has reshaped that life entirely: today's customer discovers, compares and buys online, expecting the same ease, choice and personalisation from jewellery that they get everywhere else. We design for that reality — pairing our breadth with a seamless, engaging experience across every touchpoint, so finding the right piece feels effortless. And the portfolio never stands still — continuous innovation in designs, materials and categories keeps opening new segments and reaching new consumers, launch after launch.

This Annual Report provides a comprehensive overview of BlueStone's journey, highlighting our robust growth strategy, distinctive business model and the unique differentiators that set us apart in the industry. As we look ahead to 2030, the report articulates our bold ambition and the roadmap we have charted to scale new heights while delivering sustained value to all our stakeholders. Through these pages, we aim to provide a clear and transparent understanding of our progress, key priorities and long-term aspirations as we strive to emerge as a transformative force in our sector.

Reporting Scope and Boundary

This initial section of the report presents information pertaining solely to BlueStone (standalone). The financial statements and balance sheet in the report include the Company's business units and locations for the Financial Year ended March 31, 2026. It encompasses our financial, operational and strategic performance across the entire organisation.

Reporting Frameworks

- Securities and Exchange Board of India (SEBI)
- Companies Act, 2013

Reporting Period

April 1, 2025 to March 31, 2026

Reporting Frequency

Annual

Board Approval

This Annual Report and the information presented therein have been reviewed and approved for issue by the Board of Directors of BlueStone on August 14, 2026.

Feedback

We welcome your valuable insights and suggestions on this report.

Please share your thoughts or queries with us at:

investor.relations@bluestone.com

302, Dhantak Plaza, Makwana Road, Marol, Andheri East, Mumbai - 400 059, Maharashtra

WHO WE ARE

BlueStone – Redefining fine jewellery

FINE JEWELLERY DESIGNED FOR CHOICE, PERSONALISATION AND EVERY OCCASION.

OUR DIVERSE PORTFOLIO OFFERS CONSUMERS THE FLEXIBILITY TO CUSTOMISE GOLD PURITY, COLOUR AND DIAMOND CLARITY WHILE CHOOSING FROM A WIDE RANGE OF CONTEMPORARY DESIGNS.

Under our flagship brand, we retail contemporary lifestyle-led jewellery across diamond, gold, platinum and studded categories through our website, mobile applications and a growing pan- India store network.

Established in 2011, BlueStone is India's leading destination for high-quality fine jewellery, defined by strikingly exquisite designs and a strong design-led approach. Launched as a digital-first, direct-to-consumer (DTC) brand, we have evolved into India's second largest digital-first omnichannel jewellery retailer, delivering a unified online-to-offline journey, combining the ease of digital discovery with the warmth of physical retail into a single, seamless consumer experience.

Under our flagship brand, we retail an extensive assortment across gold and studded jewellery, built around how consumers live; spanning everyday, lifestyle and occasion wear through our website, mobile application and a growing pan- India store network. With a diverse portfolio spanning across categories we cater to modern consumers across occasions, offering distinctive designs and the flexibility to customise gold purity, colour and diamond clarity.

At the core of our operations is design excellence, with over 15,000 unique designs crafted by an award-winning team and supported by advanced manufacturing, innovation and technology to ensure brilliance from design to delivery. Complementing our digital and technological strengths, our world-class stores enhance consumer experience, with jewellery certified by accredited bodies such as Gemological Science International (GSI), International Gemological Institute (IGI) and BIS Hallmark.

At the core of our operations is design excellence, with over 15,000 unique designs crafted by an award-winning team

Our transformational journey

From a digital-first venture to one of India's most expansive jewellery retail networks, our journey reflects the strength of a clear vision backed by execution, evolving seamlessly into a trusted national omnichannel brand.

2011

First office in Bangalore

2012

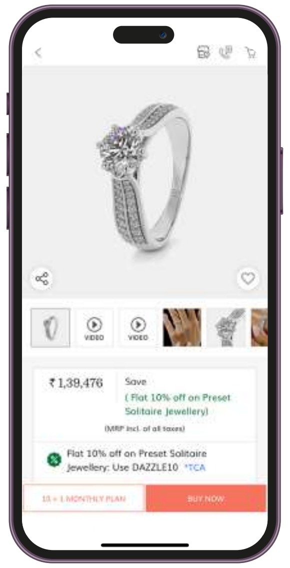
Established Mumbai corporate office

Started a manufacturing unit in Mumbai

2014

12,600

Expanded online retail channel to cover 12,600 PIN codes



2015

Established another manufacturing unit in Mumbai

2018

Commenced an omni-channel business model, with the launch of the first Exclusive Brand Outlet (EBO) in New Delhi

2021

50th store

Established

2022

100th store

Inaugurated

Established our Jaipur facility

150

2023

150th store

Established

2024

5 lakh +

Onboarded 5 lakh+ consumers since incorporation

₹10 billion +

Revenue milestone delivered

2025

₹17 billion +

Revenue milestone delivered

Established 323 stores across 130 cities

9 lakh +

Served 9 lakh+ consumers since incorporation

Expanded to 340 stores across 134 cities

2026

₹24 billion +

Revenue milestone delivered

1 mn +

Gained cumulative 1 million+ followers on Instagram

We see this as the beginning of a much larger journey, with many more milestones yet to be achieved.

Jewellery certification partners

The value of a precious stone is determined by its gemological composition, rarity and quality, with even similar-looking stones differing significantly. Certification brings transparency to these attributes, ensuring confidence for both buyers and sellers.

Recognising this, BlueStone ensures that its jewellery is certified by trusted independent laboratories, making every purchase a mark of authenticity and trust.

International Gemological Institute (IGI)
IGI is one of the world's largest independent gem certification body, renowned for its comprehensive analysis and clear documentation. With a global network of laboratories, IGI certifications instil confidence by ensuring transparency, accuracy and quality in diamonds, gemstones and jewellery.

BIS Hallmark
The BIS Hallmark certifies the purity of gold and silver jewellery in accordance with standards set by the Bureau of Indian Standards. Widely recognised across India, it assures consumers of the metal's authenticity and quality, reinforcing trust in every purchase.

Gemological Science International (GSI)
GSI is a globally recognised, independent gemological laboratory headquartered in New York, offering certification services for diamonds and other precious stones. Through advanced grading, identification and analysis based on the 4Cs – Cut, Colour, Clarity and Carat, GSI ensures accurate assessment, detects treatments and enhancements, and provides reliable assurance of quality, authenticity and trust.

HIGHLIGHTS OF THE YEAR

A year in brilliance

A YEAR OF EXPANSION THAT PAID FOR ITSELF.

WE ADDED 65 STORES IN FY26 AND STILL DELIVERED OUR FIRST FULL YEAR OF POSITIVE REPORTED PAT. REVENUE GREW 38% AND REPORTED EBITDA MARGIN EXPANDED 1,187 BPS TO 16.2%, UNDERSCORING THE STRENGTH OF OUR BUSINESS MODEL AND EXECUTION.

Robust Financials

₹ 2,441 CRORE
Revenue with a 83% CAGR (FY24-26)

₹ 395 CRORE
Reported EBITDA with a 173% CAGR (FY24-26)

₹ 26 CRORE
Our first PAT positive year

Note: The financials showcased above are on a standalone basis.

Growing Pan-India Presence

340
Stores pan India

134
Towns and cities presence

12,660+
PIN Codes served

Note: Map not to scale, only for illustration purpose

Market leadership

In-house integrated tech stack
One of the few among peers*

28-32%
Market share
Among omni-channel jewellery players in 2024

Top 6
Among peers* by total number of designs listed

#1
Among peers* by manufacturing-to-shelf turnaround time

#2
Digital-first omni-channel jewellery brands in India

* "Peers" or "leading jewellery retailers in India" refer to omnichannel and multichannel players operating in India, including BlueStone and listed companies with revenue exceeding ₹ 5,000 million in FY2024 and a network of over 50 physical stores – RedSeer report

Design & Manufacturing Prowess

15,000+
Unique designs

95%+
Jewellery manufactured in-house

150 gemstones
13 materials
20 product categories
Depth of our portfolio

9
Key manufacturing techniques

Low-cost design experimentation
Keeping the cost of an unsuccessful product below ₹2,000 per piece

*(FY24)

BOARD OF DIRECTORS

Esteemed leadership steering our vision

THE FASTEST DESIGN-TO-SHELF TURNAROUND AMONG LEADING JEWELLERY RETAILERS IN INDIA.

WHILE THE INDUSTRY OPERATES ON LONG LEAD TIMES, BLUESTONE LEADS IN MANUFACTURING-TO-SHELF SPEED AND RANKS FIRST IN DESIGN-TO-STORE TURNAROUND — DRIVEN BY ITS INTEGRATED IN-HOUSE DESIGN, TECHNOLOGY, AND MANUFACTURING CAPABILITIES.

The Board provides strategic leadership and oversight, guiding BlueStone's long- term vision while safeguarding the interests of all stakeholders. It is responsible for setting the Company's strategic direction, monitoring performance, and ensuring robust governance and risk management practices.

Through a combination of industry expertise and independent judgment, the Board supports the management in driving sustainable growth, maintaining operational discipline, and upholding the highest standards of transparency and accountability.

Board of Directors

Gaurav Singh Kushwaha
Chairman and Managing Director

Gaurav Singh Kushwaha is the driving force behind BlueStone's vision and growth. An alumnus of the Indian Institute of Technology, Delhi, where he earned a bachelor's degree in technology in computer science and engineering, he founded BlueStone in 2011 with the aim of digitally transforming India's fine jewellery segment. Under his leadership, the Company has evolved into one of India's leading omnichannel fine jewellery destinations. Prior to founding BlueStone, he was associated with Amazon, bringing a strong blend of technology and entrepreneurial experience to his role.

Prashanth Prakash
Non-Executive Director

Prashanth holds extensive experience in investing and scaling technology-led businesses. He has been associated with Accel India Management LLP since August 2008, where he focuses on consumer internet services, online marketplaces and SaaS. He began investing in Indian technology start-ups in 2004 as a Co-Founder of Erasmic, one of India's early-stage venture funds. He holds a bachelor's degree in engineering in computer science from Bangalore University, a master's degree in science from the University of Delaware and has also been conferred an honorary doctorate of science from the University of Mysore.

Sameer Dileep Nath
Non-Executive Director

Sameer currently serves as Chief Investment Officer and Head of Venture Capital & Private Equity at 360 One. He brings over two and a half decades of experience across private market investing, capital markets and entrepreneurship. He holds a bachelor's degree in political science from Middlebury College and an MBA from the University of Chicago Booth School of Business.

Rajesh Kumar Dahiya
Independent Director

Rajesh currently serves as the Chief Executive Officer of GoodGovern, a governance advisory firm. He brings over three decades of diverse industry experience, including leadership roles across multiple Tata Group companies and as an Executive Director on the Board of Axis Bank. His expertise spans human resources and operational distribution. He holds a bachelor's degree in civil engineering from Bangalore University and a master's degree in personnel management and industrial relations from Panjab University.

Neha
Independent Director

Neha brings experience across marketing and media to the Board. She holds a postgraduate diploma in business management from the Fore School of Management, New Delhi. She has previously been associated with FCB-ULKA Advertising Private Limited and Living Media India Limited, contributing valuable insights in brand building and communication. She is also the co-founder of Clovia.

Rohit Bhasin
Independent Director

Rohit brings over two decades of experience in finance, audit and governance. A Chartered Accountant, he has worked for more than 21 years with PricewaterhouseCoopers (PwC) and has also been associated with Standard Chartered Bank in its merchant banking division. In recent years, he has served as an Independent Director and Audit Committee Chairperson for several leading listed Indian companies, including ICICI Bank, Dr. Lal PathLabs and Yatra Online. He holds a bachelor's degree in commerce from the University of Delhi and is a member of the Institute of Chartered Accountants of India.

Management Team

Sudeep Nagar
Chief Operating Officer

Sudeep Nagar has been associated with the Company since December 2012. He holds a bachelor's degree in engineering from Devi Ahilya Vishwavidyalaya, Indore, and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad.

He brings extensive experience across technology and business operations, with a strong focus on execution and organisational scale. Prior to joining the Company, he was associated with HCL Technologies Limited, Computer Sciences Corporation India Private Limited and the Lodha Group, where he contributed across diverse roles in technology and management.

Vipin Sharma
Chief Merchandising Officer

Vipin Sharma has been associated with the Company since October 2021. He holds a bachelor's degree in engineering from the University of Rajasthan and a post graduate diploma in Management from S. P. Jain Institute of Management & Research, Mumbai.

He brings over 19 years of experience in the luxury goods and jewellery industry, with deep expertise in merchandising, product strategy and category development. Prior to joining the Company, he was associated with organisations such as Titan Watches Provident Fund, OyzterBay Private Limited, Clarity Gold Mint Limited, Wincor-Nixdorf India Private Limited, the World Gold Council and Luxury Products Trendsetter Private Limited.

Rumit Dugar
Chief Financial Officer

Rumit Dugar has been associated with the Company since May 2022. He holds a bachelor's degree in engineering with a specialisation in computer science from Visveswaraiah Technological University, Belgaum, and a Master of Business Administration from S. P. Jain Centre of Management. He brings over 16 years of experience across technology consulting, fintech and equities. Prior to joining the Company, he was associated with organisations such as JP Morgan India Private Limited, Infosys Technologies Limited, Alchemy Shares & Stock Brokers Private Limited, Religare Capital Markets Limited, IDFC Securities Limited and Niyogin Fintech Limited.

Harshit Kulin Desai
Chief Manufacturing Officer

Harshit Kulin Desai has been associated with the Company since June 2024. He holds both a bachelor's and a master's degree in chemical engineering from the Indian Institute of Technology, Madras. He brings over 14 years of experience in manufacturing operations, technical processes and production within the FMCG sector. Prior to joining the Company, he was associated with Galaxy Surfactants Limited as a Senior Associate and ITC Limited as a General Manager, where he contributed to operational excellence and process optimisation.

Mikhil Raj
Chief Product Officer

Mikhil Raj has been associated with the Company since April 2024. He holds a bachelor's degree in engineering from the Indian Institute of Technology, Delhi. He brings experience in product management and applied technology, with a focus on digital platforms and AI-led solutions. Prior to joining the Company, he was associated with UrbanClap Technologies Private Limited as a Product Manager, ZestMoney (Camden Town Technologies Private Limited) as Director – AI and Krutim SI Designs Private Limited.

Tarun Rajput
Head of Engineering

Tarun Rajput has been associated with company since October 2014. He holds a bachelor's degree in technology, specialising in Civil Engineering, from Kakatiya University, Warangal.

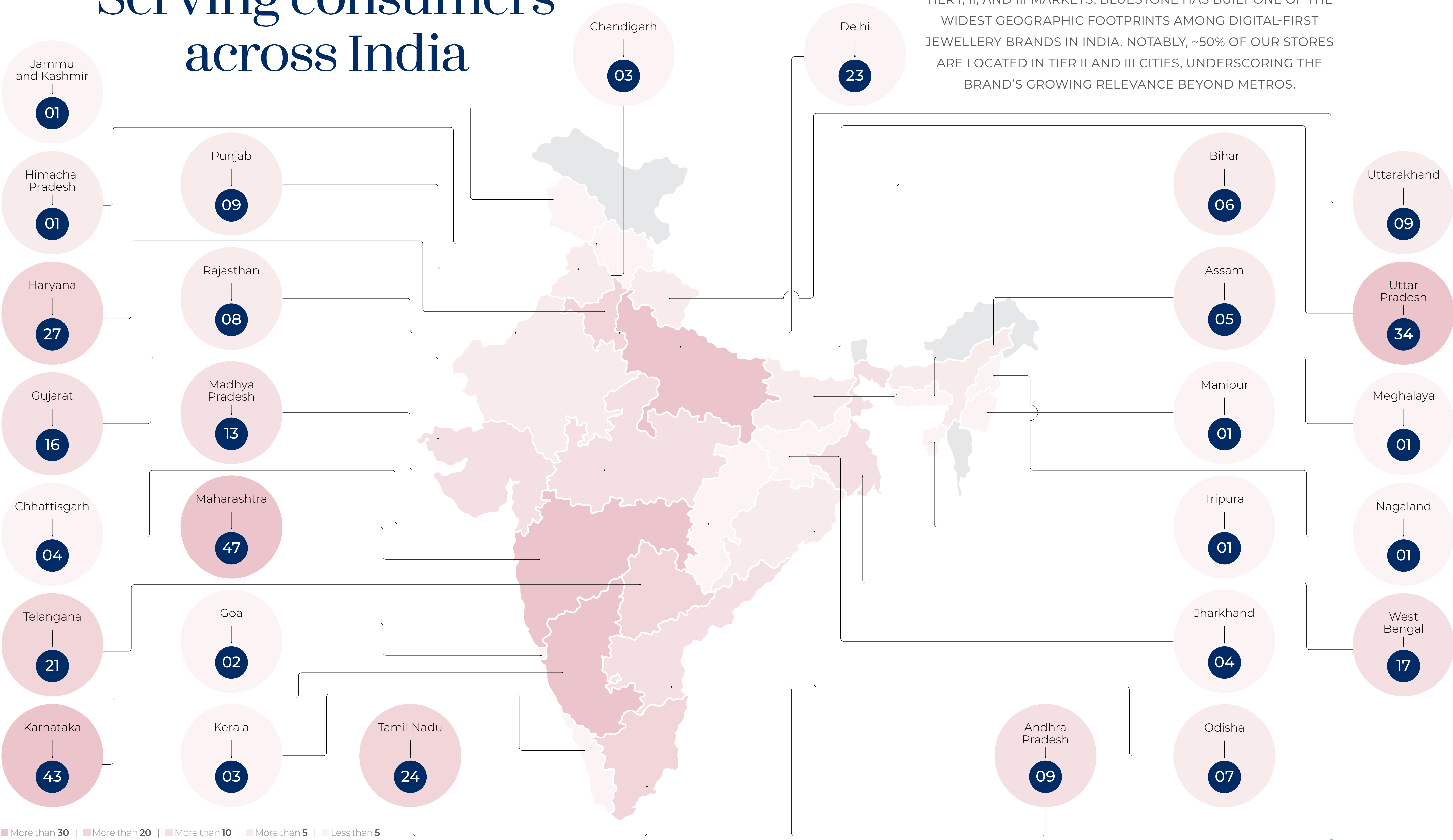
He brings extensive experience in engineering leadership and technology development, with a strong focus on building and scaling robust digital platforms. Prior to joining the Company, he was associated with Cisco Video Technologies India Private Limited as a Technical Leader.

PRESENCE

Serving consumers across India

PAN-INDIA PRESENCE ACROSS 28 STATES AND UNION TERRITORIES, SERVICING OVER 12,660+ PIN CODES.

WITH 340 STORES ACROSS 134 CITIES IN 28 STATES, SPANNING TIER I, II, AND III MARKETS, BLUESTONE HAS BUILT ONE OF THE WIDEST GEOGRAPHIC FOOTPRINTS AMONG DIGITAL-FIRST JEWELLERY BRANDS IN INDIA. NOTABLY, ~50% OF OUR STORES ARE LOCATED IN TIER II AND III CITIES, UNDERSCORING THE BRAND'S GROWING RELEVANCE BEYOND METROS.



More than **30** | More than **20** | More than **10** | More than **5** | Less than **5**

Map not to scale, only for illustration purpose

Total Number of Stores

WHAT MAKES US DIFFERENT

The BlueStone Edge

75% OF OUR STORE COHORTS BREAK EVEN WITHIN THREE MONTHS OF OPENING.

BECAUSE WE ARE DIGITAL-FIRST, WE BEGIN WITH THE MARKET ALREADY MAPPED. YEARS OF ONLINE ACTIVITY GIVE US A LIVE, GRANULAR VIEW OF DEMAND — DOWN TO THE PIN CODE — SHOWING US EXACTLY WHERE CUSTOMERS ARE SEARCHING, BUYING AND WAITING FOR A STORE. WE OPEN WHERE THAT DEMAND ALREADY EXISTS. OUR STORES DON'T CREATE A MARKET; THEY MEET ONE THAT OUR ONLINE PRESENCE HAS ALREADY AGGREGATED. THIS DEMAND-LED APPROACH TO SITE SELECTION — COMBINING ONLINE TRAFFIC ANALYTICS, PIN-CODE-LEVEL DEMAND SIGNALS AND CONSUMER BEHAVIOUR ACROSS TOUCHPOINTS — MEANS EACH STORE OPENS INTO A READY CATCHMENT, TAILORED TO LOCAL PREFERENCES BEFORE A RUPEE OF CAPITAL IS COMMITTED. THE RESULT IS STRONG UNIT ECONOMICS FROM DAY ONE, AND STORES THAT TURN PROFITABLE FAST.

India's jewellery industry is undergoing a significant transformation. Rising incomes, increasing digital adoption, a younger and more fashion-forward consumer base, and the rise of women as independent decision-makers are reshaping how jewellery is discovered, purchased and worn. The category is expanding beyond its traditional association with weddings and investment-led purchases towards more frequent, design-led and everyday consumption.

At the same time, consumers are increasingly seeking transparency, convenience and personalised experiences. Digital channels now influence a majority of jewellery purchases, while organised retailers with omnichannel capabilities are gaining share from fragmented and unorganised players. Daily wear, studded and occasion-led jewellery categories are growing faster than the overall market, reflecting changing lifestyles and the growing importance of self-expression and contemporary fashion.

These structural shifts favour retailers with strong design capability, digital-first engagement, rapid innovation and a truly integrated online-offline experience.

At BlueStone, we have built our business around a clear and deliberate vision to redefine how India experiences fine jewellery. By staying deeply attuned to evolving consumer preferences and continuously pushing the boundaries of innovation, we have created a differentiated position in the market. Our approach is anchored in quality, trust and a relentless focus on delivering exceptional experiences, enabling us to remain well aligned with the changing industry landscape and well positioned to capture the opportunities arising from its continued evolution.

Digital channels now influence a majority of jewellery purchases

The BlueStone Edge

PG 20 Successful omnichannel strategy

PG 24 Product and design excellence

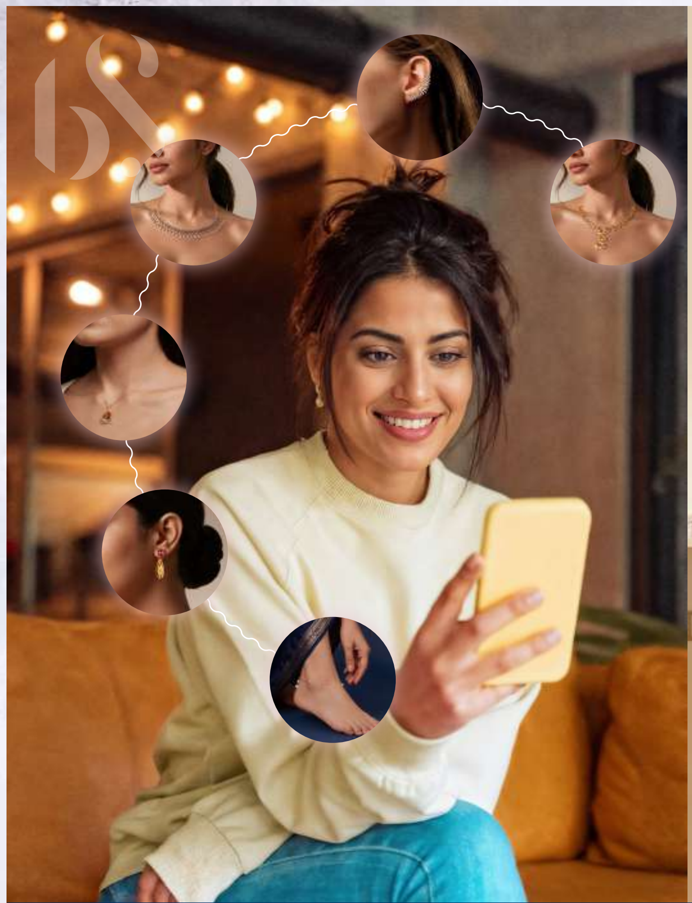
PG 26 Pioneering a tech-driven shopping experience

PG 28 An in-house technology backbone

PG 30 Robust physical retail network

PG 32 Building a distinctive brand

PG 36 Powered by people, built for scale



01

Successful omnichannel strategy

At the core of BlueStone's position in the Indian jewellery market is its integrated omnichannel strategy, which treats digital and physical touchpoints not as separate channels, but as a single, interconnected consumer journey. Consumers today move seamlessly between online discovery and offline validation, and our operating model is designed to support this behaviour at every stage of the purchase cycle.

In a category historically dominated by store-led interactions, the traditional purchase experience often limited discovery to products physically displayed in-store, with consumers largely dependent on store personnel for recommendations. The result is friction in a category defined by considered, high-involvement purchases — where consumers now expect choice, transparency and convenience.

BlueStone's omnichannel model addresses these limitations by combining the endless aisle and convenience of digital browsing with the trust and reassurance offered by physical stores.

Consumers can explore thousands of designs online at their own pace, seek assistance where required and complete transactions either digitally or in-store within a unified brand environment. Physical stores, in turn, provide confidence through touch-and-feel experiences and support important category requirements such as exchanges and after-sales service.

A technology-powered consumer journey

The effectiveness of this model is enabled by a unified digital backbone that connects consumer interactions, inventory and order fulfilment systems, ensuring a seamless experience across touchpoints. Delivering such an integrated experience is inherently complex in any consumer retail category and requires capabilities that are still uncommon across much of the industry.

Our differentiated product visualisation capabilities enable meaningful digital discovery through high-quality imagery and advanced 3D rendering, allowing consumers to engage with designs in a more intuitive and informed manner. These capabilities enhance purchase confidence, particularly in digital environments, while bridging the gap between online discovery and physical experiences.

A unified view of inventory across channels enables consumers to access a much wider assortment than what may be physically available at an individual store. Real-time inventory integration, automated inventory management and efficient order fulfilment systems ensure product availability, reduces friction and improves responsiveness accross the purchase journey.

In FY26, we operated 340 stores pan-India and offered consumers access to over 15,000 designs. The consumer journey is further strengthened through a range of differentiated capabilities and consumer-centric offerings:

- Personalised video calling
- 360° 3D rendering of every piece
- In-store inventory visibility
- Lifetime exchange and buyback on all products
- A 10+1 monthly instalment plan to enhance purchase flexibility
- Old gold exchange at 101% of prevailing value
- Dedicated post-purchase services to support long-term engagement and loyalty

Proven impact on sales growth

3D Rendering

True-to-life product images

360° Video

Every angle covered in detail

Size Visualization

Accurate scale display

Virtual Trials

Video consultations

Seamless and integrated transaction experience

Our systems enable a frictionless transaction journey across channels by ensuring consistency and ease at every stage. This is enabled through:

- A unified consumer view across touchpoints, supporting cross-channel engagement
- Automated inventory management to ensure availability and relevance of designs
- Real-time integration of inventory with digital platforms
- Efficient billing and order management systems for secure and efficient checkout

These capabilities are complemented by in-store enhancements such as unified carts and virtual try-on features, which improve convenience and strengthen purchase confidence. Continued investments in AI- led visualisation and simplified checkout journeys are further elevating the consumer experience.

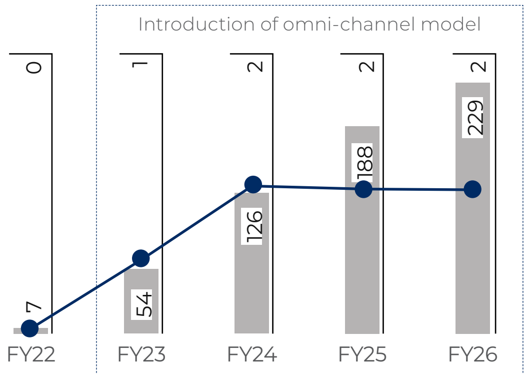
Execution at scale through intelligent systems

Our operating model extends into store execution through a proprietary retail interface that equips frontline teams with relevant consumer context and product information. A product-led system design ensures consistency in service delivery while reducing dependence on extensive training. In parallel, analytics-led planning supports more effective assortment decisions and inventory deployment across locations, improving availability and conversion.

Proven impact on sales growth

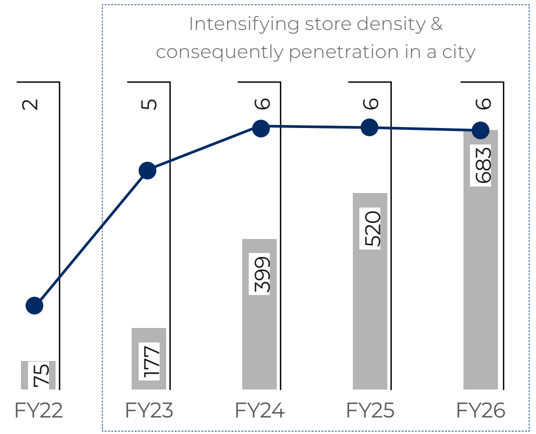
Offline stores serve as powerful brand-trust anchors that accelerate online conversions, while digital discovery drives high-intent footfall into physical outlets. A compelling case study from Ranchi, Jharkhand, illustrates the impact: following the full omnichannel rollout, city-level revenue grew from ₹7 million in FY22 to ₹54 million in FY23, ₹126 million in FY24, ₹188 million in FY25, and ₹229 million in FY26, underscoring how the model drives consistent and scalable growth across markets.

A case study- Impact of omni-channel model on revenue growth in Ranchi



A similar trend is visible in Lucknow, Uttar Pradesh, where deeper store penetration is translating directly into revenue growth. Expanding store density within existing cities strengthens brand trust, improves conversion economics, lifts consumer lifetime value, and drives compounding returns on invested capital.

A case study- Impact of store penetration on revenue growth in Lucknow



Read more on page 26 under "Pioneering a tech-driven jewellery shopping experience"

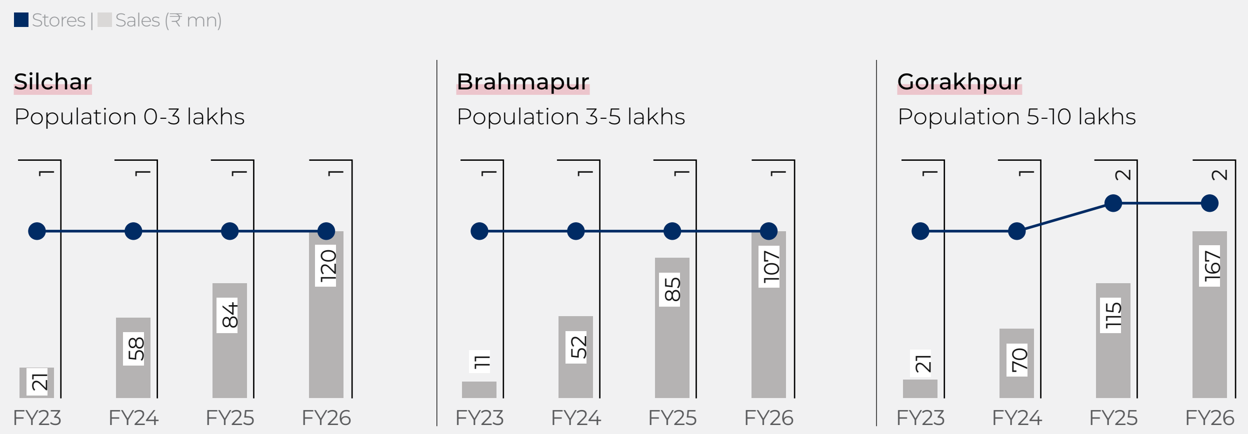
Further, the sustained growth across Silchar, Brahmapur and Gorakhpur underscores the growing potential of India's non-metro jewellery market. From a single-store presence in smaller cities to a scaled footprint in larger regional hubs, our performance demonstrates that strong consumer demand, combined with our omnichannel model and design-led offerings, can deliver meaningful growth across diverse markets and regions. These cities exemplify our ability to identify high-potential locations, build consumer trust and drive profitable expansion beyond metropolitan India.

A formidable competitive advantage

This omnichannel capability represents a significant competitive advantage for the Company. We are the second-largest digital-first omni-channel jewellery brand in India by revenue* among all omni-channel players. The combination of strong digital discovery and physical reassurance positions us well in a category where trust and experience are critical. Looking ahead, we will continue to expand our store network and deepen consumer engagement to enhance lifetime value and market presence.

We are the second- largest digital-first omni- channel jewellery brand in India by revenue

Note - *For FY24, based on Redseer Report



02

Product and design excellence

Product and design are central to our value proposition, enabling us to differentiate in a traditionally fragmented and convention-bound jewellery market. As consumer preferences evolve, growth in the industry is increasingly being driven by non-wedding segments such as daily wear and occasion-led jewellery, which are expanding faster than the traditional wedding jewellery category. Similarly, demand for studded and diamond jewellery is outpacing that of plain gold jewellery, reflecting a shift towards self-expression, contemporary styling and more frequent purchase occasions.

Against this backdrop, we have built a design-led business that is closely aligned with these structural trends. Our portfolio is focused on contemporary, lightweight and occasion-agnostic jewellery, supported by a broad assortment across categories, materials and consumer-preferred karatages. This enables us to cater to a diverse set of consumer needs while remaining well positioned to capture the growing demand for design-led, non-wedding and studded jewellery.

Rings, earrings, chains, bangles and necklaces

Daily wear and occasion-led collections tailored to modern lifestyles

Diverse designs across categories, materials and consumer-preferred karatages, catering to varied tastes and price points

Design-led portfolio aligned for evolving consumer preferences

Our portfolio reflects a clear shift from conventional, traditional and heavy jewellery towards modern, versatile designs suited for everyday wear and self-expression. This approach allows us to address a fast-growing segment of consumers seeking jewellery beyond investment or ceremonial use.

Scale, variety and speed-to-market

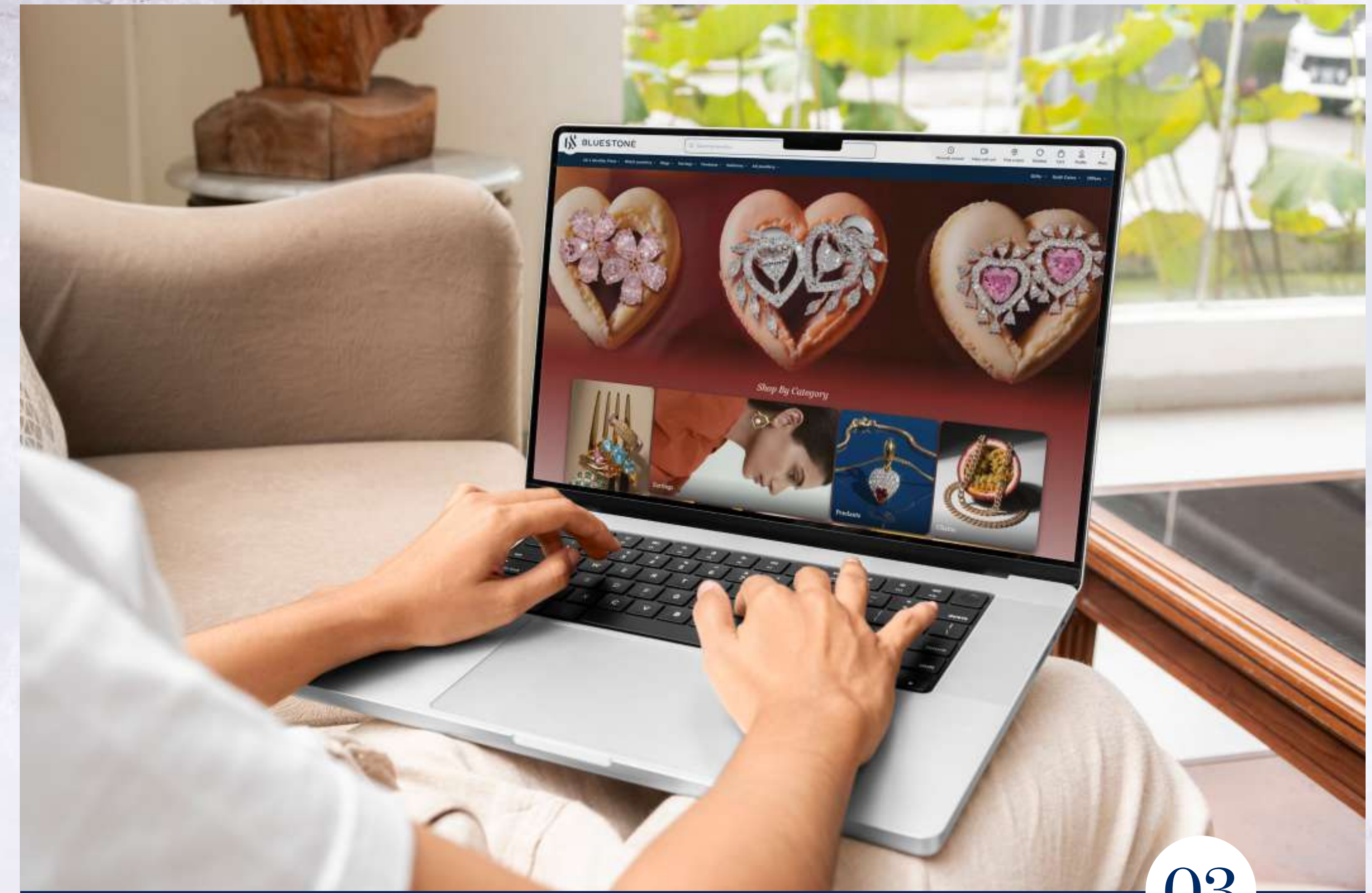
Our differentiated product ecosystem is supported by strong in-house capabilities. Over 95% of our jewellery is manufactured in-house, ensuring consistent quality and greater control across the value chain. This is complemented by:

- Faster design-to-market cycles
- Reduced dependence on external vendors
- Enhanced operational agility
- Team of 25-30 designers qualified from the best institutes of India, such as the National Institute of Fashion technology (NIFT)

These strengths enable us to continuously refresh our catalogue and respond swiftly to emerging trends in a dynamic, fashion-forward market.

25-30

Qualified designers from the best institutes of India, such as the National Institute of Fashion technology (NIFT)



03

Pioneering a tech-driven shopping experience

Technology plays a critical role in shaping how consumers interact with our brand, enhancing convenience, confidence and engagement across the purchase journey. Our integrated technology ecosystem connects retail, merchandising and supply chain operations, enabling data- driven decision-making, reducing manual intervention, and improving responsiveness across the value chain.

Data-driven decision making and agility

We leverage advanced analytics to better understand consumer preferences and refine engagement strategies.

Enable smarter merchandising through continuous analysis of over 300 million days of product data and consumer trends, supporting faster and more effective decision-making

Data insights support faster identification of consumer trends

System-led integration enhances accuracy, improves order values and supports consumer retention

This approach allows us to remain responsive to changing demand patterns while improving conversion, retention and overall consumer engagement.

Retail Storefront: The Whole Store on One Screen

A BlueStone consumer rarely walks in cold. By the time they reach our store, most have already browsed online, saved a few designs, perhaps spoken to Maya, our AI sales agent, and arrived with an occasion in mind. Our store sales staff need to meet the consumer where they are, and not start the conversation from scratch.

Our in-house POS makes this possible. It is the single screen our store team use through the day, and it brings 4 things together:

- A 360-degree view of the consumer, covering who they are, what they have been looking at, and the occasion they may be shopping for
- Live and unified inventory view across the store network, so a piece can be found in seconds
- Fast, modern billing built specifically for jewellery rather than adapted from a generic retail system; and
- A single place to raise and resolve a consumer query without leaving the conversation.

The interface is built for how the floor works and designed for speed rather than for training manuals. Behind the screen, an AI layer surfaces the right product, the right cross-sell, and the right context at the right moment.

The change is also visible in the numbers. Conversations are sharper, and each consumer browses more pieces in a single visit. The number of consumers in the system, and therefore visible to our store team on their next visit, has grown over the year. When a sales executive opens a consumer's profile during a visit, conversion improves measurably.

For more on the underlying technology architecture, refer to "Robust in-house tech and infrastructure" on page 28 of the report

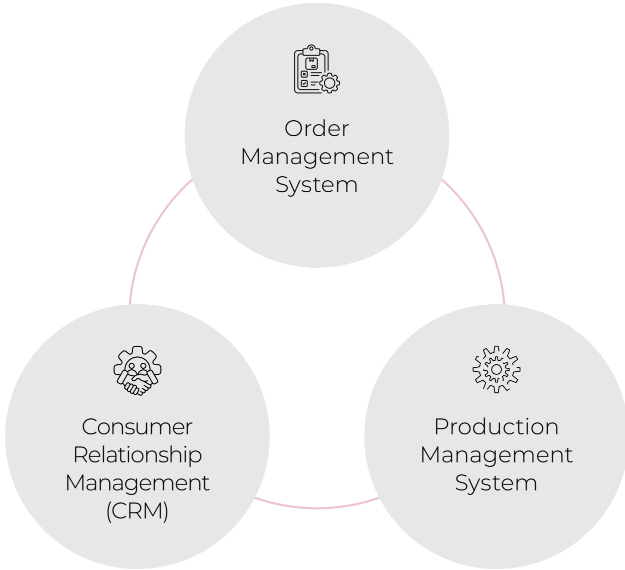
04

An in-house technology backbone

Our ability to deliver speed, quality and innovation is supported by our robust in-house technology and architecture. We have built a deeply integrated platform that connects every stage of the value chain, enabling control, efficiency and scalability across operations.

End-to-end integrated technology stack

Our proprietary integrated technology infrastructure brings together design, manufacturing, merchandising and retail into a single, cohesive system.



Order Management System

Ensures secure, end-to-end order handling from placement to fulfilment

Production Management System

Streamlines manufacturing and inventory processes

Consumer Relationship Management (CRM)

Centralises consumer data, enabling personalised and targeted engagement

This integrated architecture powers:

- Complete design autonomy, allowing our in-house team to identify evolving consumer preferences directly
- A dedicated prototype facility that captures design trends with quick turnaround and personalisation
- Utilise over 300 million days of product and consumer trend data to drive data- backed merchandising decisions and improve responsiveness to evolving consumer preferences
- True omnichannel retailing that delivers a seamless transaction experience across all touchpoints

Customer Relationship Management Coaching Conversations at Scale

Some of our most important consumer conversations happen neither in a store nor on a screen. They happen on a phone call: a sales executive calling back an interested consumer, walking them through options and addressing a question about price, design or delivery. Traditionally, the only way to support these conversations was for a manager to sit in occasionally and share feedback afterwards, which meant most executives received guidance rarely and inconsistently.

Focus changes that. It is an AI-assisted coaching tool that helps our teams learn from consumer conversations in a structured way. Rather than relying on occasional observation, it gives every executive access to consistent, timely feedback on how they engage, listen and respond.

The tool also helps us understand what consumers care about at an aggregate level: the questions that come up most often, the product features that draw interest, and the points where consumers want more clarity. These insights flow back into how we train our teams, how we present our collections, and how we improve the overall consumer experience.

Two loops close at the same time. Inside the Company, coaching has moved from occasional and instinct-led to regular and evidence-based, so managers can support their teams with greater consistency and fairness. Externally, what we learn from consumer conversations helps us serve consumers better on the next one.

Agile design-to-store capabilities

Our vertical integration and in-house manufacturing facilities in Mumbai, Jaipur and Surat provide end-to-end supply chain control. With design and manufacturing teams working closely under one roof and over 95% of production undertaken in-house, we achieve one of the industry's fastest design-to-store lead times. This enables us to accelerate new design launches, scale production efficiently with strict quality control, and respond quickly to demand shifts.

The seamless integration of design, manufacturing, and consumer insights enables us to introduce innovative and premium jewellery collections that cater to evolving consumer needs at preferred price points. Our technology and infrastructure enhance precision, improve efficiency and enable continuous innovation across the business.

Robust physical retail network

Our robust physical retail network provides the essential tactile experience that complements our digital platforms and drives seamless consumer journeys. By integrating physical presence with technology, our stores enhance brand visibility, build lasting trust and support higher conversion through in-store engagement and after-sales service.

Strategic location and standardised experience

Our stores are located in high-visibility, high-footfall areas and feature a consistent, standardised look and feel that reinforces brand identity across the country. This deliberate approach ensures a uniform consumer experience, with full control over inventory selection and visual merchandising. Consumers benefit from the ability to touch and feel products, particularly those discovered online, which significantly strengthens purchase confidence and completes the omnichannel cycle.

Tech-enabled real-time operations

Integrated technology allows real-time inventory visibility across 12,660+ PIN codes, enabling consumers to check availability at the nearest store before visiting. This seamless linkage between online discovery and physical outlets improves fulfilment efficiency, supports inter-store transfers when needed, and enhances overall operational agility while maintaining strict quality and service standards.

Dedicated men's and kids' stores

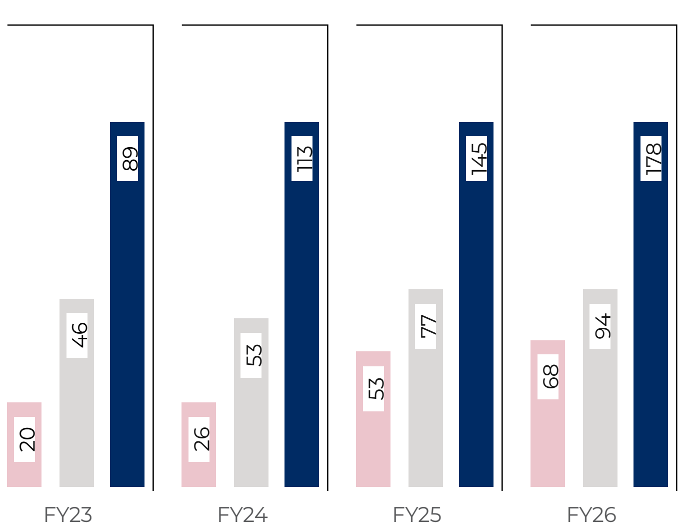
We are also building dedicated stores for men's and children's jewellery, categories that remain largely underserved despite their potential. Separate stores allow us to curate design, merchandising and service around these distinct buyer needs, rather than treating them as an extension of the core assortment.

12,660+
Pincodes serviced

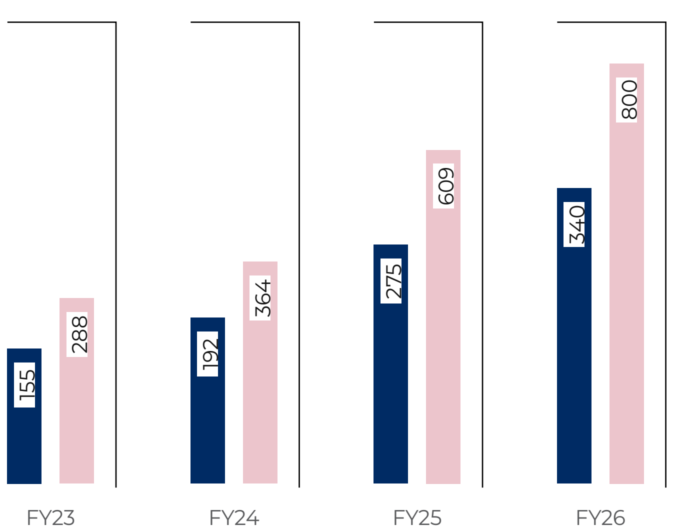
Diversified national footprint

Our network spans 28 states and union territories.

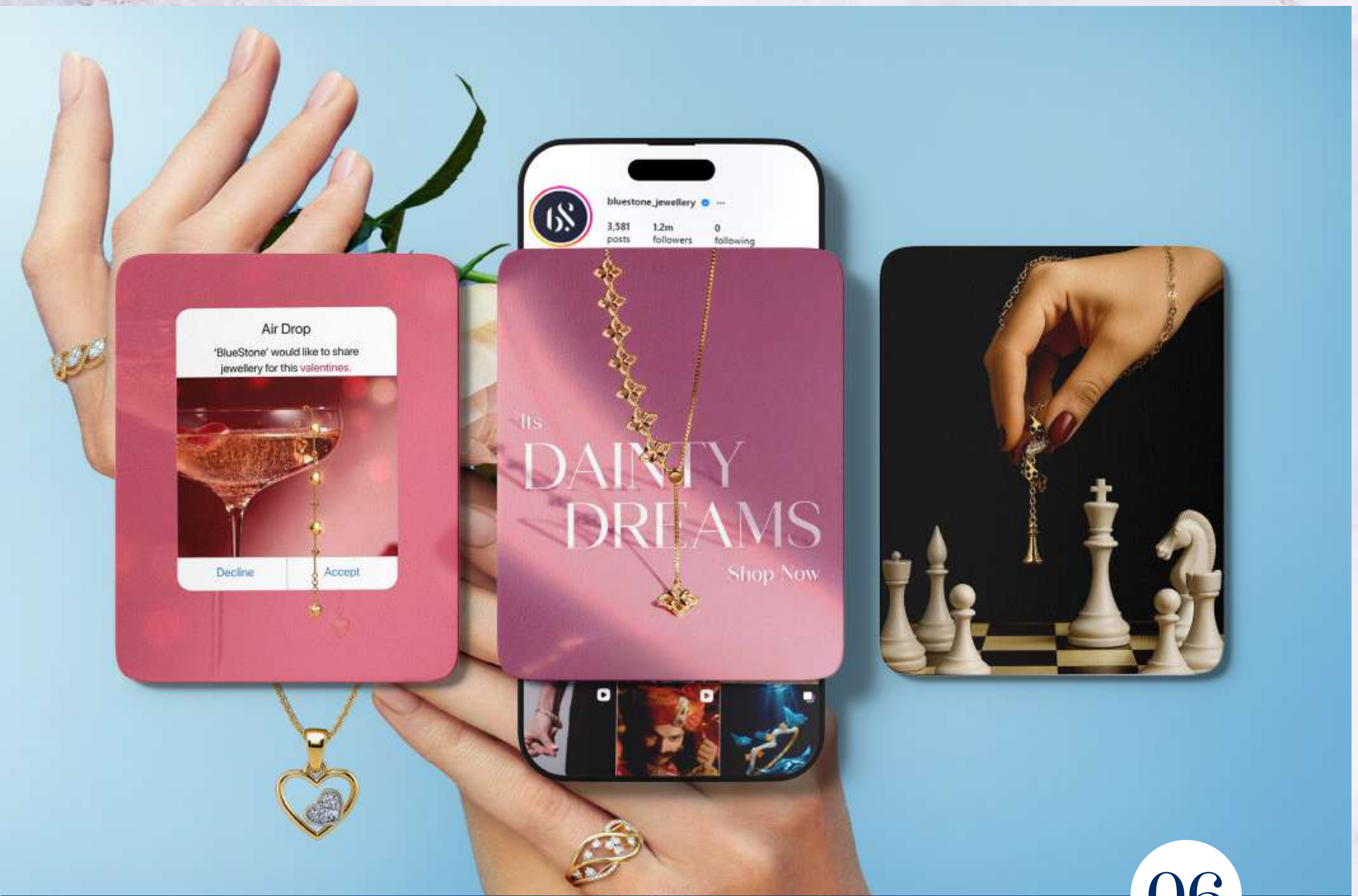
Growth in the number of stores



Total area of our stores



The geographic diversification, combined with steady expansion in total retail area, has created a scalable platform that drives incremental revenue in every market entered. Our offline experience centres continue to act as powerful multipliers, boosting brand recall and consumer engagement while delivering superior unit economics.



06

Building a distinctive brand

Our branding and marketing strategy is anchored in a digital-first, performance-led architecture, where brand building and consumer acquisition are closely integrated. In contrast to traditional jewellery retailers that rely significantly on mass media and celebrity-led outreach, we have developed our brand predominantly through content creation combined with digital channels, enabling precise targeting, real-time optimisation and end-to-end measurement across the consumer funnel.

Our marketing framework is structured across four core pillars that work in tandem to drive consistent, scalable growth while maintaining efficiency and relevance.

Audience-centric reach

Focused expansion of high- potential consumer cohorts using refined audience insights, ensuring scale without compromising relevance

Channel and frequency orchestration

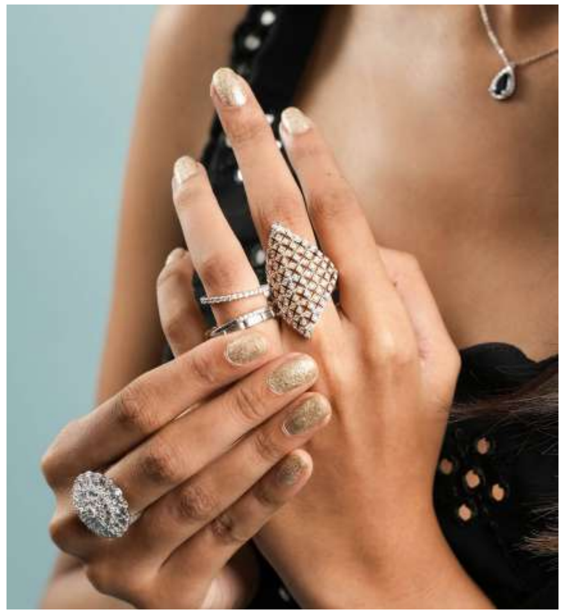
A disciplined multi-channel presence that optimises visibility and recall while dynamically balancing frequency and efficiency

Distinctive and consistent communication

Memorable, trust-building narratives delivered consistently across touchpoints to strengthen brand affinity over time

Performance-led investment discipline

Outcome-driven allocation of marketing investments, enabling agile scaling of high- performing initiatives while maintaining efficiency



Content as a scalable growth lever

A key element of our marketing evolution has been the increasing role of content as a structured and scalable growth lever. In an environment where digital platforms prioritise relevance and engagement, we have adopted a high-frequency content strategy, with output levels significantly exceeding typical category benchmarks.

We have been an early adopter of AI-led content generation, positioning ourselves among the largest producers of AI-enabled marketing content within the jewellery segment. This capability is embedded within our broader content engine and plays a critical role in enhancing scale, speed and efficiency of marketing execution. AI is leveraged across multiple stages of the content lifecycle, including ideation, format replication and rapid deployment. The ability to generate and deploy content at scale supports our high-frequency marketing model, which is structurally differentiated within the category. Importantly, AI-led content creation is integrated with our framework-driven test-and-scale approach. Multiple content variations are developed and evaluated in parallel, with performance data guiding optimisation and scale-up decisions. This results in faster experimentation cycles, shorter feedback loops, and improved identification of high- performing formats.

The use of AI also enhances personalisation and contextual relevance, allowing us to align content more closely with consumer preferences, occasions and platform dynamics. This contributes to improved engagement outcomes and supports more efficient utilisation of marketing spends.

~30%
Content formats consistently emerge as high performers and are subsequently scaled

AI Content: Photorealistic Imagery at the scale jewellery demands

Fine jewellery has a content problem most categories do not. Every piece needs a hero shot, a lifestyle shot, a model shot, an on-skin tone test and several composition variations across the website, marketplaces and ads. With thousands of designs in the catalogue and constant new launches, traditional studio shoots cannot keep up on either time or cost.

This year we built the ability to generate photorealistic imagery at scale. The output is at par with a studio shoot, with the right light, skin tones and context. The team can now produce far more imagery at a fraction of the cost and time of a conventional shoot.

This has changed what marketing can do. We can show a piece across many more contexts, including festive, everyday and gifting, without staging a separate shoot for each. We can localise creative for different cities and audiences, and produce variants quickly enough to test what works and scale the visuals that perform. Output scales without compromising quality.

We can show a piece across many more contexts, including festive, bridal, everyday and gifting, without staging a separate shoot for each.

Deep digital marketing capabilities

Digital marketing continues to be a central pillar of our consumer acquisition strategy and a key source of competitive advantage. We maintain a significant share of voice within the digital marketing landscape for jewellery, supported by strong in-house capabilities and ongoing optimisation. The integration of digital marketing with data analytics and content has enabled structural improvements in key efficiency metrics, including conversion rates and consumer acquisition efficiency. This iterative process facilitates continuous refinement of campaigns, thereby enhancing overall marketing effectiveness over time.

~₹100 cr

Digital marketing investments (a scale-up of ~30% over the past year)

Maya: an AI sales agent who never misses a consumer

Maya is our in-house AI sales agent. When a consumer shows clear buying intent on our website, such as returning to a piece, adding it to a wishlist or browsing a category at length, the consideration window is short. If we wait two days to call, the moment is often gone. Maya calls within hours.

She speaks like a person, switching between English and Hindi mid-sentence, the way many Indian consumers do. Before the call connects, she has loaded the consumer's recent activity: what they viewed, how often they visited, the price band they have been looking at, and the occasion they may be shopping for. The conversation is grounded in that context from the start.

Most calls end with a confirmed in-store appointment, with the branch and time captured during the call. Maya is available around the clock, including evenings, weekends and holidays, which is when most consumers browse. Because she is AI, capacity grows without adding headcount. A traditional call centre adds people every time the consumer base grows. With Maya, we don't have to.

Digital-first approach to brand building

We adopt a 100% digital-first marketing model that contrasts with traditional reliance on celebrity endorsements and heavy above-the-line spends. Our efforts focus on engaging consumers aged 25–45 through platforms such as Instagram, Google and Meta, fostering two-way communication and meaningful interaction with our category.

Our social media marketing operates within a structured, framework-led approach, anchored in continuous trend identification, rapid hook testing and the creation of algorithm-adaptive content to maximise engagement and relevance. This data-driven strategy enables personalised outreach, targeted occasion-specific campaigns and real-time performance measurement, driving awareness, consideration and conversion across the entire marketing funnel.

1 mn +

We crossed the 1 million follower mark on Instagram in 2026, a meaningful milestone in the Company's growing digital relevance.

Driving brand trust and recall through authenticity

We build deep brand trust by consistently communicating our core values, emphasising transparent pricing, trusted certifications (including BIS Hallmark, IGI and GSI), and a diverse product range that resonates with modern lifestyles. Detailed product descriptions, high-quality images and videos, easy returns and marketing campaigns focused on everyday moments have been instrumental in enhancing recall and credibility. As a result, we have achieved strong brand recognition with high engagement on digital platforms and rank among the top jewellery retailers in India by Instagram followers*, all while maintaining disciplined marketing efficiency.

Our marketing framework is designed to remain adaptive in a dynamic digital environment. Continuous monitoring of platform developments, consumer behaviour and emerging content formats enables us to respond effectively to evolving market conditions. These capabilities position us to further strengthen marketing effectiveness and sustain our competitive advantage over the long term.

A step-change in content quality

The brands a consumer chooses to follow on Instagram signal where they want to be. Over the year, we rebuilt our content engine with sharper photography, richer storytelling, more cinematic films and a tone that matches the jewellery we make. The shift was visible to anyone scrolling our feed.

The numbers followed. Our Instagram following crossed 1 million this year, and the quality of attention changed alongside the size of the audience. Consumers who follow us now arrive in stores already familiar with our pieces and what we stand for. The in-store conversation has shifted from explaining who we are to discussing what they want next.

*As of May 2025

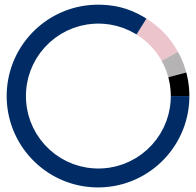
07

Powered by people, built for scale

Our people are central to our ability to scale, execute and differentiate in a competitive market. As we expand our omnichannel footprint, we continue to invest in building a high-quality, well-distributed and future-ready workforce that strengthens execution across consumer touchpoints, supply chain and corporate functions.

2,576
Total workforce in FY26

We have scaled meaningfully in line with business growth, supported by a balanced workforce structure spanning retail, operations, corporate and manufacturing. This distributed model enables agility on the ground while ensuring strong central oversight and strategic alignment.



Building a diverse and inclusive workforce

We continue to make steady progress in enhancing workforce diversity, with a particular focus on improving gender representation. Female workforce participation has increased year-on-year, supported by targeted hiring and inclusive workplace practices. This progress reflects our commitment to building a more balanced and representative workforce, particularly in frontline roles where diversity directly enhances consumer engagement and experience.

38.50%
Females

61.50%
Males

Note: With 297 new female hirings done in FY26, female representation increased by 2.8% year-on-year.

Strengthening organisational capability through systems and structure

To support rapid scaling, we have undertaken a comprehensive HR transformation anchored in a unified, technology-led platform. The implementation of an integrated HRMS has consolidated previously fragmented systems, enabling real-time visibility into workforce data, improving governance and enhancing operational efficiency. This unified approach allows for better workforce planning, faster decision-making and tighter control over compliance and costs, creating a strong foundation for sustainable growth.

Building a resilient, high-quality and trusted workforce

We have strengthened our hiring and onboarding processes to ensure consistency in workforce quality. Structured pre-offer checks and robust verification frameworks have been institutionalised to mitigate execution risks and enhance reliability, which is critical in a distributed retail environment where workforce quality directly impacts consumer experience and brand trust. Alongside this, we place strong emphasis on employee engagement and wellbeing as key drivers of productivity and retention. A structured recognition framework, supported by regular engagement initiatives, reinforces performance across frontline teams. Wellbeing measures, including healthcare support, workplace facilities and employee assistance programmes, contribute to a supportive and inclusive work environment. These interventions have also supported improved attrition trends across business units, particularly in operations and manufacturing, reflecting stronger workforce stability.

We maintain strong governance and compliance standards across our workforce, with full adherence to statutory requirements and well-established internal frameworks. Structured POSH governance and comprehensive compliance systems reinforce a culture of trust, safety and accountability.

Building frontline excellence through scalable capability development

Given the importance of in-store experience, we continue to invest in strengthening retail capabilities through a structured learning and development framework. Dedicated training verticals focused on consumer experience, product knowledge and onboarding ensure consistent service standards across stores. This is complemented by a scalable training model, where specialised trainers support multiple stores, enabling effective capability building across a rapidly expanding retail network.

Our people strategy is designed to support both current operations and future growth. By combining workforce scale with quality, diversity, technology enablement and strong governance, we have built a resilient and agile organisation, positioning us to sustain execution excellence and long-term growth.

MESSAGE FROM THE CHAIRMAN

Shaping the future of everyday luxury

OUR PROPOSITION IS BUILT ON PRODUCT AND POWERED BY THE INTERNET. WE DESIGN FINE JEWELLERY FOR HOW PEOPLE LIVE TODAY — VERSATILE, PERSONAL AND DISTINCTIVE — AND WE BRING IT TO THEM THROUGH A DIGITAL-FIRST EXPERIENCE THAT MAKES DISCOVERY AND PURCHASE EFFORTLESS

TOGETHER, THEY LET US MEET A NEW GENERATION OF CONSUMERS ONLINE, SERVE THEM WITH PERSONALISATION AND CHOICE, AND CONVERT THAT ENGAGEMENT INTO DURABLE, PROFITABLE GROWTH.

Dear Shareholders,
This letter comes to you at the close of our first full financial year as a public company. Let me begin with the one belief that sits behind everything we do:

The jewelery industry is built around the few days a consumer celebrates. We're building around the many days they simply live.

38%
YoY Revenue Growth

The big moments — the wedding, the festival, the milestone — will always matter, and they aren't going anywhere. But something is shifting in how India wears jewellery. More and more, our consumers want something they can wear on an ordinary day, for no reason except that it's theirs.

We have chosen to build for that consumer: for the days in between. You cannot earn a place in someone's everyday life with a single occasion. An occasion is won once and then waited on for years. Everyday wear has to be earned again and again — and that difference shapes the entire company. It is why we measure how often consumers come back more closely than almost anything else. It is why a piece has to survive being seen every day, not just photographed once.

And it is why, at BlueStone, a discount is never a pricing decision; it is a confession, that the design failed.

What drew us to this market was not its size but its direction. The casual, non-wedding segment we serve — daily wear and everyday occasions — was worth roughly ₹2,980 billion, about US$35 billion, in calendar year 2024, and is expected to grow at 16 to 18% a year, to between ₹6,300 and ₹6,900 billion by 2029. Within it, the everyday demand we are built for is growing at close to twice the pace of the wedding market. We did not set out to serve all of jewellery — only the part moving fastest, and to build a company that wins there.

This is what "everyday luxury" means for us. Not a tagline — a choice about which business to be in.

Deeply rooted in cultural traditions, jewellery continues to hold emotional and financial significance across consumer segments, lending resilience to the category across economic cycles.

FY26: from scale to structural profitability

With that belief stated, here is the year:

FY26 was an inflection point. Revenue grew to ₹2,441 crore, up 37.9%. We added 65 new stores and over 1.7 lakh new consumers. Pre-IndAS EBITDA reached 181 crores at a 7.4% margin. And we delivered a full-year Profit After Tax of ₹26 crore — our first year of sustained profitability.

But the number that tells you most about whether the strategy is working isn't on that list. It's this: more than half our revenue now comes from consumers who came back. People do not return again and again for a thing they buy once a decade. They return for jewellery that has become part of how they live. From a digital-first start-up in 2011 to 340 stores across 134 cities, the achievement I am proudest of is the returning.

It points to the quiet engine of this business: our older stores get better with age. Conventional retail assumes a store is most exciting on opening day. We see the opposite — as a store ages, the people around it come to know us, they return, they bring others, and the economics improve year after year. An occasion brand's stores cannot do this; you can't compound a relationship across a decade-long gap between purchases. Everyday wear is what makes the compounding possible. Our profitability this year was not the product of moderation — it was that compounding finally becoming visible in the numbers.

Why this business compounds

It would be easy to read what I've written so far as the story of a retailer that opens good stores. It isn't. BlueStone began on the internet, and the internet is still where most of our consumers first meet us — they discover a design, sit with it, share it, return to it, often long before they walk into a store. Across nearly 300 million online sessions this year, that discovery engine is not a marketing channel bolted onto a jewellery company. It is how we learn what India wants to wear, faster than a shelf ever could tell us.

What makes that learning valuable is that we can act on it ourselves. Because we design and manufacture in-house, a signal we read online can become a finished piece in a consumer's hands without passing through a chain of third parties who each take their own time, margin, and control. Most jewellers either design well, or make efficiently, or sell digitally. The advantage we have spent a decade building is that these are not three businesses for us — they are one loop: the internet tells us what is wanted, our own manufacturing makes it, our stores and our site sell it, and every sale teaches the loop again. That is why the business compounds rather than merely grows.

Our high degree of vertical integration, with over 95% of jewellery manufactured in-house, enables us to innovate on designs, accelerate design-to-market cycles, respond swiftly to changing demand patterns and maintain control over quality

Where we got it wrong

A first letter that only tells you what went right is not worth your time. So here is where we erred this year, and I want to be specific about it — because it sits close to something we are proud of.

We are, at our core, a technology company — our systems watch demand, manage inventory, and shape our assortment with a precision that is one of our real advantages. But this year gold rose further and faster than at almost any point since we started BlueStone, and our systems had rarely, if ever, seen a shock of that size. As gold climbed, our entry-level pieces — the affordable designs where most new consumers first meet us — quietly thinned out, because at the new prices the system rebalanced away from them. The machine did what its experience told it to do. The trouble is that its experience did not include this. Technology does not always catch such details, and this one showed up where it hurts most: in the consumers we did not acquire, because the entry point is where the relationship begins.

Our physical stores act as important trust anchors in a high-consideration category, while our digital platforms serve as powerful engines of discovery and demand generation.

We have since redesigned the entire entry-level portfolio — using the full range of our vertically integrated model, across materials, technique, and consumer-preferred karatage. The fix took hold through the back half of the year, and we exited the fourth quarter growing above 30%. But the more important fix is the lesson. The answer to a system's blind spot is not less technology — it is better technology. We have rebuilt ours so that a shock once invisible to us is one we now catch early. I would rather we learned this at our current size than at five times it.

I tell you this not as ritual humility, but because our optimism is only worth believing if we are equally exact about our errors.

What to measure us against

Through FY 2030, our ambition is to become the heartbeat of India's jewellery industry. But ambition is cheap, and what you deserve is a scoreboard. So hold us to three things in the years ahead, even when they're unflattering:

How many new consumers we bring in; how many of our consumers come back; and how efficiently we turn our capital. If these three hold, the rest of FY 2030's outlook follows. If they slip, you will know before any speech of mine could explain it away.

None of this is possible without the people who design, make, and sell our jewellery, our partners, our Board, and above all the consumers who choose us — not for a single occasion, but for the ordinary days as well. They are not buying gold from us; they could buy gold anywhere. They are buying something that becomes part of their life. The day we forget that distinction is the day this strategy stops working.

We have a great deal left to do. But I am more confident in the foundations of BlueStone today than at any point since 2011 — not because of what we've promised, but because of what our oldest stores, and our returning consumers, are already proving.

Thank you for your trust.

Gaurav Singh Kushwaha
Chairman and Managing Director
BlueStone Jewellery & Lifestyle Limited

54.5%
of FY26 revenue came from repeat customers — a strong signal of loyalty and trust

PAT +
FY26

KEY PERFORMANCE INDICATORS

The numbers behind our momentum

THE FASTEST-GROWING LEADING JEWELLERY RETAILER IN INDIA

BLUESTONE RECORDED THE HIGHEST REVENUE GROWTH AMONG LEADING PEERS OVER THIS PERIOD, WHILE MAINTAINING GROSS MARGINS. REVENUE HAS MORE THAN TRIPLED IN THE PAST THREE YEARS, INCREASING FROM ₹7,707 MILLION IN FY23 TO ₹24,412 MILLION IN FY26.

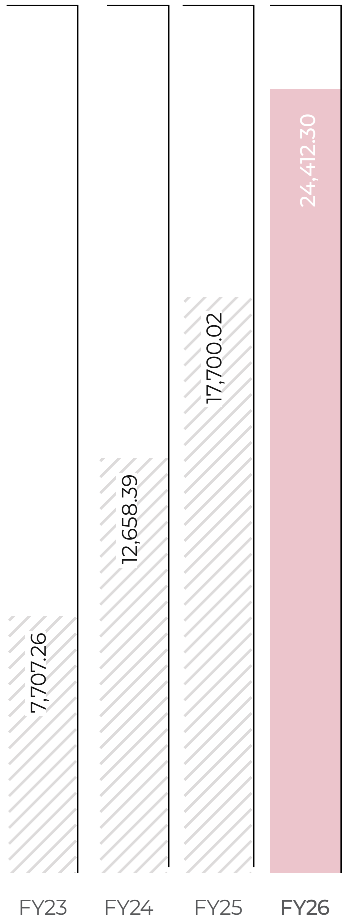
BlueStone delivered a strong financial performance in FY 2026, with revenue from operations reaching ₹2,441 crore, reflecting robust growth over the previous year. The Company also achieved its first full year of profitability, marking a significant milestone in its financial journey. This performance was driven by the continued expansion of its omnichannel network, improving store productivity and stronger consumer traction, supported by operating leverage and disciplined cost management.

Over the last three years, BlueStone delivered a revenue CAGR of approximately 47%, supported by strong same-store sales growth and improving operating leverage.

Revenue from Operations

(₹ MILLION)

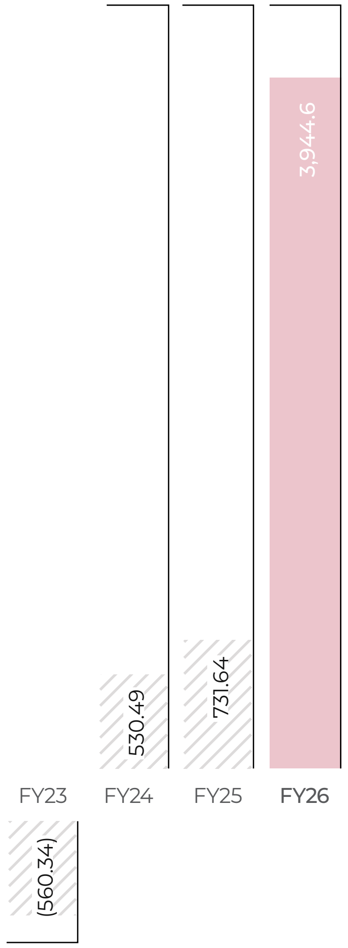
24,412.30



EBITDA

(₹ MILLION)

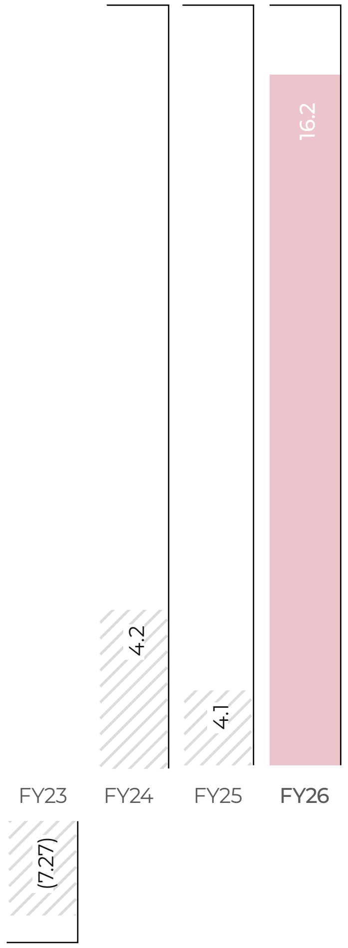
3,944.6



EBITDA Margin

(%)

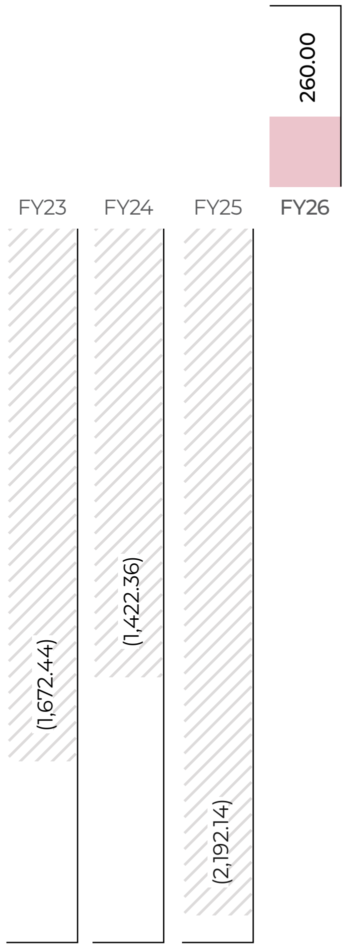
16.2



PAT

(₹ MILLION)

1.1%



GROWTH STRATEGY

Shaping the future of jewellery

DRIVING THE NEXT HORIZON OF GROWTH.

OUR "BLUESTONE IN FY30" VISION IS ANCHORED IN SIX STRATEGIC PILLARS THAT WILL POWER OUR SCALE, DIFFERENTIATION AND LONG-TERM VALUE CREATION. BY EXPANDING OUR FOOTPRINT, DEEPENING CONSUMER ENGAGEMENT AND LEVERAGING TECHNOLOGY-LED EFFICIENCIES, WE ARE BUILDING A RESILIENT, HIGH- PERFORMANCE BUSINESS POSITIONED TO DELIVER SUSTAINABLE GROWTH AND CONSISTENT SHAREHOLDER RETURNS.

BlueStone's growth strategy is anchored in a clear long-term vision: to redefine how jewellery is designed, discovered and experienced in India. As the category evolves with shifting consumer preferences, increasing formalisation and rapid digital adoption, we are building an agile, design-led and technology-enabled organisation.

Our "BlueStone in FY30" vision serves as our strategic blueprint, guiding our priorities and investments. It reflects our ambition to become the heartbeat of India's jewellery industry, driven by design, scaled by technology and powered by a high- performance organisation while delivering enduring value for consumers and shareholders.

Our strategic growth pillars

- Driving sustainable value creation
- Building a professionally managed organisation
- The ultimate consumer partnership
- Technology as a force multiplier
- Leadership through design innovation
- Expanding nationwide access and scale

The ultimate consumer partnership

We aim to become the most trusted jewellery partner for the modern Indian consumer. As purchasing behaviour evolves beyond traditional, occasion-led buying, we are aligning ourselves with a more dynamic and expressive consumer journey.

By blending a deep understanding of contemporary preferences with the enduring significance of jewellery as a lifetime asset, we seek to remain relevant across every life stage and occasion. From everyday self-expression to milestone purchases, our objective is to be the brand of choice, delivering consistency, trust and emotional resonance across the entire spectrum of jewellery needs.

Leadership through design innovation

Design lies at the heart of our differentiation. We are committed to leading a "design revolution" within the industry by prioritising contemporary, premium aesthetics that resonate with evolving consumer sensibilities.

Our approach combines depth, diversity and agility, offering an extensive portfolio that spans daily wear, occasion-led and statement pieces. By continuously investing in design capabilities and accelerating

product development cycles, we aim not only to respond to trends but to shape them, positioning BlueStone as a leader in modern jewellery design.

Expanding nationwide access and scale

A key pillar of our strategy is to significantly expand our physical footprint while maintaining a disciplined, data-led approach to growth. We are targeting a network of 700+ stores over the long term, with a presence that extends across metros as well as emerging cities. This expansion is guided by our omnichannel model, where digital demand informs physical presence, enabling capital-efficient growth and stronger market relevance. By bringing a seamless, world-class shopping experience closer to consumers across geographies, we aim to unlock the next phase of industry growth. More than half of our store network comprises stores that are less than three years old, creating a structural tailwind for future revenue growth and return on invested capital as these stores mature.

Technology as a force multiplier

Technology is deeply embedded in our operating model, enabling efficiency, agility and precision at scale. Through a vertically integrated ecosystem, we are leveraging advanced analytics, AI-driven insights and digital tools across the value chain, from design and manufacturing to inventory management and consumer engagement. This integration allows us to optimise operations, enhance responsiveness to demand and deliver a superior, frictionless consumer experience. As we scale, technology will continue to be a critical enabler of both growth and differentiation.

AI, machine learning, real-time data and unified systems support design feedback, consumer acquisition efficiency, discovery, recommendations, inventory management and omnichannel conversion. Technology is embedded into the foundation of the business rather than layered on top, enabling scale and responsiveness across the value chain.

Building a professionally managed organisation

We are committed to building one of the industry's most respected professionally managed enterprises. This involves fostering a high-performance culture that attracts, develops and retains top talent, supported by strong leadership and clear accountability. Our focus is on creating an organisation that is not only capable of scaling efficiently

but also resilient, adaptive and aligned with global standards of governance and execution excellence.

Driving sustainable value creation

At the core of our strategy is a clear commitment to delivering sustainable, long- term value. We aim to achieve this through a balanced focus on growth, profitability and capital efficiency, underpinned by strong governance and transparency.

As we scale, we remain focused on strengthening our financial profile, enhancing return metrics and ensuring that the value we create for our consumers is consistently reflected in shareholder returns. Our approach is grounded in building a resilient business that can deliver across cycles while maintaining the trust of all stakeholders.

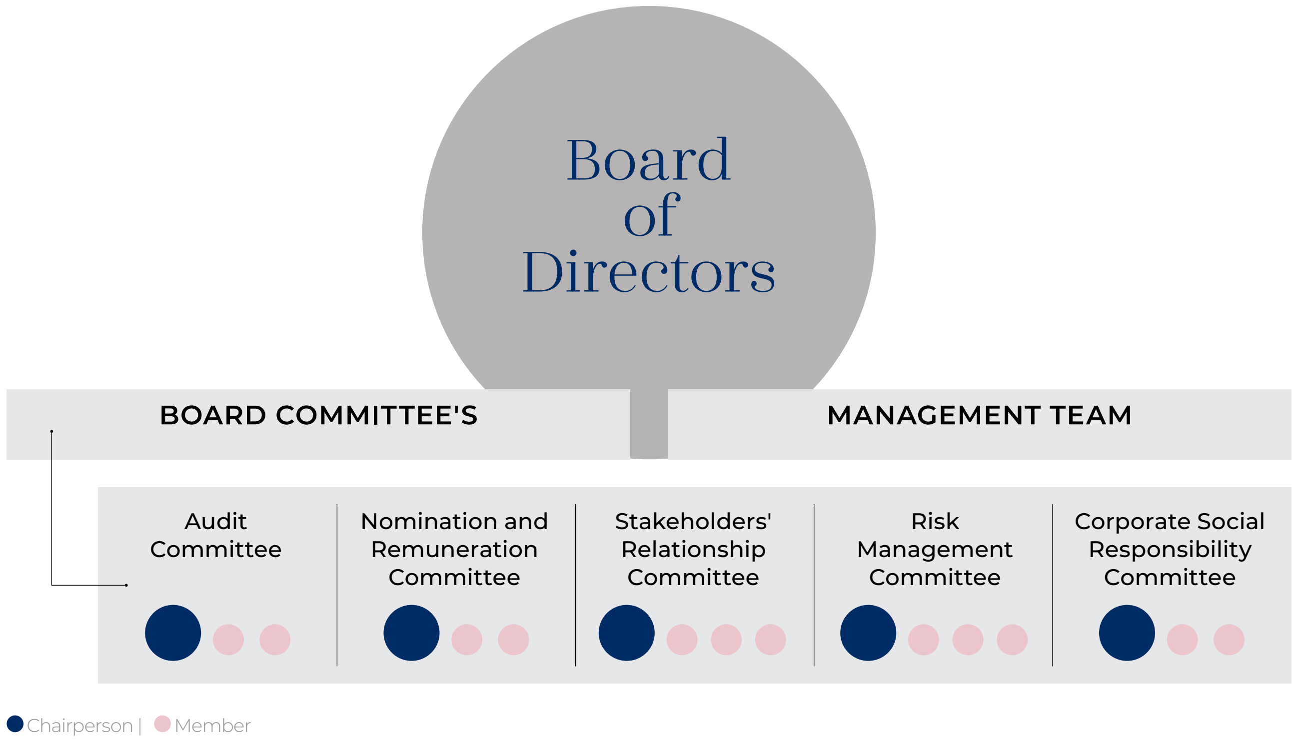
CORPORATE GOVERNANCE

Committed to responsible governance

PROACTIVELY SAFEGUARDING THE BUSINESS FOR RESILIENT GROWTH.

WE HAVE ESTABLISHED A COMPREHENSIVE AND FORWARD-LOOKING RISK MANAGEMENT FRAMEWORK, WITH DIRECT BOARD OVERSIGHT AND A DEDICATED RISK MANAGEMENT COMMITTEE CONSTITUTED IN LINE WITH SEBI LISTING REGULATIONS. THIS APPROACH ENABLES EFFECTIVE IDENTIFICATION, ASSESSMENT AND MITIGATION OF KEY RISKS, WHILE REINFORCING RESILIENCE AND SAFEGUARDING LONG-TERM VALUE CREATION.

BlueStone is committed to maintaining high standards of corporate governance, anchored in transparency, integrity and accountability across its operations. We have established a robust framework that promotes ethical decision-making and responsible business conduct at every level, with oversight by the Board and its committees. We place strong emphasis on regulatory compliance and the adoption of best practices to build and sustain stakeholder trust. Through this disciplined approach, we ensure fairness in our dealings and continue to create long- term value for all stakeholders.



Board committees

Audit Committee

The Audit Committee oversees the integrity of the Company's financial reporting and disclosures, ensuring that financial statements present a true and fair view. It reviews quarterly and annual financial results, monitors statutory and internal audit processes, and evaluates the independence and performance of auditors. The Committee also assesses the adequacy and effectiveness of internal control systems, oversees compliance with legal and regulatory requirements, and reviews related party transactions and risk management frameworks.

Rohit Bhasin
Independent Director

Rajesh Kumar Dahiya
Independent Director

Sameer Dileep Nath
Non-Executive Director

Nomination and Remuneration Committee

This Committee is responsible for identifying and recommending individuals for appointment to the Board and senior management positions, ensuring an appropriate balance of skills and expertise. It formulates and oversees remuneration policies aligned with performance, industry benchmarks and long-term value creation. The Committee also conducts performance evaluations of directors and senior management, administers employee stock option schemes, and ensures compliance with applicable regulatory provisions.

Rajesh Kumar Dahiya
Independent Director

Neha
Independent Director

Prashanth Prakash
Non-Executive Director

Stakeholders' Relationship Committee

The Committee focuses on protecting the interests of shareholders and other security holders. It oversees the redressal of investor grievances, including issues related to share transfers, transmissions, non-receipt of dividends and annual reports. It also monitors the performance of registrars and transfer agents, ensures timely and effective investor communication, and reviews measures taken to enhance investor services and satisfaction.

Rajesh Kumar Dahiya
Independent Director

Neha
Independent Director

Rohit Bhasin
Independent Director

Prashanth Prakash
Non-Executive Director

Risk Management Committee

The Risk Management Committee is responsible for the identification, evaluation and mitigation of key business risks across the organisation. It oversees the implementation of a structured risk management framework, reviews risk exposure across strategic, operational and financial areas, and ensures that appropriate mitigation plans are in place. The Committee also monitors compliance with regulatory requirements related to risk management and supports the Board in strengthening the overall risk governance framework.

Rohit Bhasin
Independent Director

Neha
Independent Director

Rajesh Kumar Dahiya
Independent Director

Sameer Dileep Nath
Non-Executive Director

Corporate Social Responsibility Committee

The CSR Committee formulates and recommends the Company's CSR policy and identifies priority areas for social impact initiatives. It oversees the planning and execution of CSR activities, recommends the allocation of CSR expenditure, and monitors the progress and effectiveness of ongoing programmes. The Committee also ensures compliance with the requirements of the Companies Act, 2013 and related rules governing CSR.

Rajesh Kumar Dahiya
Independent Director

Rohit Bhasin
Independent Director

Prashanth Prakash
Non-Executive Director

Policies Adopted by the Board

BlueStone operates under a structured set of policies and codes that uphold integrity, transparency, independence, and accountability. These frameworks guide responsible business practices and reinforce a culture of ethical conduct across the organisation.

01 Related Party Transactions Policy

02 Archival Policy

03 Board Evaluation Policy

04 Code of Conduct with respect to obligations of directors and SMP

05 CSR Policy

06 Dividend Distribution Policy

07 Material Subsidiaries Policy

08 NRC Policy

09 Policy on Board Diversity

10 Policy on familiarisation programmes for Independent Directors

11 Risk Management Policy

12 Vigil Mechanism

13 Materiality Policy

14 Code for Independent Directors

15 Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders

16 Code of Practices and Procedures for Fair Disclosure of UPSI and Policy for Determination of Legitimate Purpose

17 Policy and Procedures to be Conducted while conducting an inquiry in the Event of Leak or Suspected Leak of UPSI

18 Terms and Conditions of Appointment of Independent Directors

19 Environmental, Social and Governance Policy

Grievance redressal mechanism

We have established a structured and responsive grievance redressal mechanism to address concerns across our key stakeholder groups, including consumers, shareholders and other stakeholders. This framework is designed to ensure timely resolution, transparency and accountability in handling grievances.

For investors and security holders, the Stakeholders' Relationship Committee provides oversight, ensuring that concerns relating to share transfers, transmissions, non-receipt of dividends, annual reports and other investor matters are addressed efficiently. We work closely with our Registrar and Share Transfer Agent, supported by defined processes for tracking and resolving complaints within prescribed timelines. For consumers, we have instituted dedicated support channels to address queries and grievances related to products, services and post-purchase experience. Consumer concerns are managed through a structured escalation matrix, with a focus on prompt resolution, service quality and continuous feedback integration to enhance overall consumer satisfaction.

Across all stakeholder groups, we follow a system of ongoing monitoring and periodic review to assess the effectiveness of our grievance handling processes. This integrated approach enables us to strengthen stakeholder trust, ensure compliance with applicable regulations and continuously improve our service standards.

Notice

NOTICE is hereby given that the 15th (Fifteen) Annual General Meeting ("**AGM**") of the members of **BLUESTONE JEWELLERY AND LIFESTYLE LIMITED** (Formerly known as BlueStone Jewellery and Lifestyle Private Limited) ("the Company") will be held on Monday, 14th September, 2026 at 04.30 p.m. (IST) through Video Conferencing (VC) or other Audio-Visual Means (OVAM) facility, to transact the businesses mentioned below:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company together with the reports of the Board of Directors and Auditors thereon for the Financial Year ended March 31, 2026.

   To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the Audited Standalone Financial Statement of the Company for the Financial Year ended 31st March, 2026 together with the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted."

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company together with Auditors Report thereon for the Financial Year ended March 31, 2026.

   To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** the Audited Consolidated Financial Statement of the Company for the Financial Year ended 31st March, 2026, together with the report of the Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted."

3. To appoint Mr. Amit Jain (DIN: 01613364), as a Non-Executive, Non-Independent Director, in place of Mr. Sameer Dileep Nath (DIN: 07551506), Director liable to retire by rotation, who does not seek re-election.

   To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the recommendation of the Board of Directors, Nomination and Remuneration Committee and pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, ("Companies Act") the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company, and other applicable laws, the consent of the Members be and is hereby accorded for appointment of Mr. Amit Jain (DIN: 01613364) as Non-Executive, Non-Independent Director (category: Professional), liable to retire by rotation, of the Company with effect from the date of approval of the Members of the Company.

   RESOLVED FURTHER THAT the Board noted the consent letter under Section 152 (5) of the Companies Act in Form DIR-2 received from Mr. Amit Jain providing his consent to act as an Non-Executive, Non-Independent Director (category: Professional) of the Company, declaration in writing under Section 164 in the Form DIR 8, the disclosure of interest under Section 184 in the Form MBP-1 and confirmation that he is not debarred from holding the office of Director by virtue of any order passed by SEBI or any other authority; such other declarations and confirmations as may be required under the Companies Act, 2013, the SEBI (LODR) Regulations, 2015 and other applicable laws.

   RESOLVED FURTHER THAT Mr. Amit Jain shall hold office as a Non-Executive, Non-Independent Director, liable to retire by rotation, in accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of the Director of the Company or the Chief Financial Officer or the Company Secretary, be and are hereby severally authorized to take all steps for giving effect to the aforesaid resolutions, including making the necessary applications, filing forms and doing all such acts, deeds, and things as may be required or deemed necessary to implement such resolutions.

RESOLVED FURTHER THAT a copy of the above resolution, certified to be true by any Director and/or by the Chief Financial Officer or by Company Secretary of the Company, be forwarded to concerned authorities for necessary actions."

By order of the Board of Directors
For BlueStone Jewellery and Lifestyle Limited
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)

Sd/-
Gaurav Singh Kushwaha
Managing Director
DIN: 01674879

Registered Office:
Site No.89/2 Lava Kusha Arcade, Munnekolal Village, Outer Ring Road, Marathahalli, Bangalore, Karnataka–560037.

Place: Mumbai
Date: 14th August, 2026

Notes:

1. The explanatory statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ("**Act**") as amended, read with the relevant rules made thereunder and Secretarial Standard No. 2 ("**SS-2**") on General Meetings issued by the Institute of Company Secretaries of India, in respect of special business is annexed hereto and forms part of this Notice.

2. The Ministry of Corporate Affairs ("**MCA**") has, vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013", General Circular Nos. 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, the latest being 03/2025 dated September 22, 2025 (collectively referred to as "**MCA Circulars**") has permitted convening the AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said MCA Circulars, and applicable provisions of the Act read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), AGM shall be conducted through VC/OAVM. The deemed venue for the AGM shall be the registered office of the Company.

3. The Notice along with the Annual Report for F.Y. 2025-26 is being sent by electronic mode to those Members whose e-mail address is registered with the Company/Depositories, unless a Member has specifically requested for a physical copy of the same. Members may kindly note that the Notice convening this AGM for F.Y. 2025-26 will also be available on the Company's website https://www.bluestone.com/investor-relations.html#governance, website of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively and on the website of National Securities Depository Limited (NSDL) at https://www.evoting.nsdl.com. The Company will also publish an advertisement in the newspapers containing details of the AGM and other relevant information for Members viz. manner of registering e-mail ID, cut-off date for e-voting etc.

   Pursuant to the MCA Circulars, since this AGM is held through VC/OAVM, (a) route map to the venue is not required and therefore, the same is not annexed to this Notice; (b) Members will not be able to appoint proxies for the meeting, and hence, proxy form and attendance slip is not annexed to this Notice; and (c) physical attendance of Members has been dispensed with; Accordingly, attendance Slip is not annexed to this Notice.

4. However, the body corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first served basis.

   Large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee, the Auditors etc. will not be subject to the aforesaid restriction of first-come-first serve basis.

6. Participation of members through VC/OVAM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.

7. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the General Meeting through VC/OVAM. Institutional Investors/ Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution/authorization letter at its corporate office of the Company through email at designated e-mail address of the Company i.e. secretarial@bluestone.com or upload on the VC portal/e-voting portal.

8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the

Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the General Meeting. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of General Meeting, i.e. September 14, 2026. Members seeking to inspect such documents can send an email to secretarial@bluestone.com.

9. Members whose shareholding is in electronic mode are requested to direct notifications about change of address and updates about bank account details to their respective Depository Participant(s) (DP).

10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the General Meeting. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (**NSDL**) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-voting system as well as venue voting on the date of the General Meeting will be provided by NSDL. The Members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM. Members who have cast their votes by remote e-voting prior to the General Meeting may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by Members holding shares in dematerialized mode, physical mode and for Members who have not registered their email addresses is provided in the instructions for E-Voting Section which forms part of this Notice.

11. In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at https://www.bluestone.com/investor-relations.html. The Notice can also be accessed from the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

12. In accordance with the MCA circulars and SEBI circular, the Notice of the AGM along with the Annual Report for the Financial Year 2025-26 is being sent by electronic mode to Members whose E-mail IDs are registered with the Company/Registrar & Share Transfer Agent ("RTA") or the Depository Participants ("DPs"). Additionally, in accordance with Regulation 36(1)(b) of the SEBI Listing Regulations, the Company is also sending a letter to Members whose E-mail IDs are not registered with the Company or its RTA or with DP providing the weblink of Company's website from where the Annual Report for the Financial Year 2025-26 can be accessed.

13. We urge Members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and Members holding shares in physical mode are requested to update their email addresses with the Company's RTA at **KFin Technologies Limited (formerly known as KFin Technologies Private Limited)**, to receive copies of the Annual Report for the Financial Year 2025-26 in electronic mode. Members may provide their detail in the sheet annexed to this Notice.

14. All the correspondence pertaining to shareholding, transfer of shares, transmission etc. should be lodged at the Company's Registrar and Share Transfer Agent: KFin Technologies Limited (formerly known as KFin Technologies Private Limited), Unit: BlueStone Jewellery and Lifestyle Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Tel No: +91 040-68301881, (040) 6716 2222, Email-einward.ris@kfintech.com.

15. Additional information, pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meeting ("**SS-2**") in respect of the Directors seeking appointment at the AGM, forms an integral part of this Notice.

16. The Audited Accounts of the Company's subsidiaries are available on the Company's website at https://www.bluestone.com/investor-relations.html#annualFinancials.

17. The SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore,

requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

18. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, in case the shares are held in physical form. Members holding shares in physical form are requested to notify any change in their address or bank details to the RTA quoting their Folio Number. The members holding shares in the demat form are requested to update such details with their respective Depository Participants.

19. The Members who wish to nominate, any person to whom his securities shall vest in the event of his death may do so by submitting the attached nomination form to the Company or the Registrar and Share Transfer Agent of the Company. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation.

20. As per Regulation 40 of the Listing Regulations, as amended, the request for transfer of securities shall not be processed unless the securities are held in dematerialised form. Further the request for transmission or transposition of securities held in physical or dematerialised form shall be affected only in dematerialised form. Hence Members who hold shares in physical form are requested to dematerialize their shares, so they can transfer their shares in future, if so desire. In view of this and also to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to demat mode.

21. Non-Resident Indian Members are requested to inform to the Company's Registrar and Share Transfer Agent, of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if the details are not furnished earlier.

22. Members present at the AGM and who have not cast their vote on resolutions set out in the Notice convening the AGM through remote e-voting and who are not otherwise barred from doing so, shall be allowed to cast their vote through e-voting facility during the AGM.

23. However, Members who have exercised their right to vote during the Remote e-voting period may attend the AGM but shall not be entitled to cast their vote again.

24. Once the vote on a resolution is cast, Member shall not be allowed to change the same subsequently or cast vote again. Members can opt for only one mode of voting i.e. either through Remote e-voting or e-voting at the AGM. If a member cast votes by both modes, then voting done through Remote e-voting shall prevail. In the case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.

25. Members who would like to express their views or ask questions with respect to the agenda item(s) of the meeting may register themselves as a speaker by sending an e-mail in advance at-least 3 days prior to meeting from their registered e-mail address, mentioning their name, DP ID & Client ID/folio number and mobile number secretarial@bluestone.com. Only those Members who have registered themselves as speaker will be able to express their views/ask questions/seek clarifications at the meeting. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@bluestone.com. These queries will be replied by the company suitably. The Company reserves the right to restrict the number of questions and/or number of speakers, depending upon availability of time, for smooth conduct of the AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Friday, September 11, 2026 at 09:00 A.M. IST and ends on Sunday, September 13, 2026 at 5:00 P.M. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/ Beneficial Owners as on the record date (cut-off date) i.e. Monday, September 07, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, September 07, 2026.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with **NSDL**.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider** i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Login method for Individual shareholders holding securities in demat mode is given below: (Contd.)

Type of shareholders	Login Method
	5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with **CDSL**	1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from the e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/ Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mitesh@mjshah.com; with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/ Authority Letter etc. by clicking on "**Upload Board Resolution/Authority Letter**" displayed under "**e-Voting**" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Mr. Falguni Chakraborty at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secretarial@bluestone.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (secretarial@bluestone.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their votes on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/ OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the AGM through laptops for better experience.

3. Further Members will be required to switch on the camera on their devices during the AGM and use internet with a good speed to avoid any disturbance during the AGM.

4. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

26. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@bluestone.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number

at secretarial@bluestone.com. These queries will be replied by the company suitably.

27. Mr. Mitesh Shah, Proprietor of M/s. Mitesh J. Shah & Associates., Company Secretaries (FCS No. 10070/CP No. 12891), has been appointed by the Board as the Scrutinizer to scrutinize the voting through remote e-voting process and e-voting during this AGM in a fair and transparent manner. The Scrutinizer shall, within 2 working days from the conclusion of the AGM, prepare a consolidated scrutinizer's report of the votes cast in favour or against, if any, and forthwith furnish the same to the Chairman of the meeting or a person authorized by him who shall countersign the same and declare the result of the voting.

28. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of electronic voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.

29. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company https://www.bluestone.com/investor-relations.html., notice board of the Company at the registered office as well as the corporate office and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to NSE and BSE.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND THE INFORMATION AS REQUIRED PURSUANT TO THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

ITEM NO. 3 – To appoint Mr. Amit Jain (DIN: 01613364), as a non-executive, non-independent Director, in place of Mr. Sameer Dileep Nath (DIN: 07551506), Director liable to retire by rotation, who does not seek re-election.

Mr. Sameer Dileep Nath (DIN: 07551506), a Director liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013, retires by rotation at the ensuing Annual General Meeting. Mr. Sameer Dileep Nath has indicated to the Company that he is not seeking reappointment in view of his other commitments. Mr. Sameer Dileep Nath has been on the Board of the Company since July 05, 2016. The Board places on record its sincere appreciation and recognition of the valuable contribution and services rendered by Mr. Sameer Dileep Nath during his tenure as a Director on the Board of the Company.

The Board, pursuant to the recommendations of the Nomination and Remuneration Committee, proposes that the vacancy caused by his retirement be filled up by appointing Mr. Amit Jain (DIN: 01613364) as a non-executive, non-independent Director, liable to retire by rotation.

Brief Profile:

Mr. Amit Jain is the Chief Executive Officer and Co-Founder of CarDekho Group, an Autotech, fintech and mobility services platform valued at USD 1.2 billion and recognised as one of India's homegrown unicorns. An alumnus of IIT Delhi, Mr. Jain began his career as a Software Engineer with Tata Consultancy Services and subsequently spent nearly seven years with the US-based multinational firm Trilogy, where he built a strong foundation in technology and product engineering. In 2007, he co-founded GirnarSoft along with his brother, Mr. Anurag Jain, which laid the foundation for CarDekho Group. Under his leadership, the Group has grown from a home-garage venture in Jaipur into a diversified conglomerate employing over 6,000 professionals and serving more than 40 million active users a month across India and Southeast Asia, with a portfolio spanning Autotech (CarDekho.com, BikeDekho, ZigWheels, PowerDrift), insurtech (InsuranceDekho), fintech (rupyy), mobility (Revv, Carrum) and international operations (CarMudi, Oto) across Indonesia, Malaysia and the Philippines. Mr. Jain also serves on the investors' panel of Shark Tank India and is a member of the Startup Policy Forum, engaging closely with policymakers on initiatives led by Startup India. He is a strong advocate for sustainable growth and has led CarDekho Group to become India's first unicorn to commit to carbon neutrality by 2050 under the United Nations' Climate Neutral Now programme.

The Company has received declaration from Mr. Amit Jain (DIN: 01613364) confirming that he is not disqualified from being appointed as a Director.

Mr. Amit Jain (DIN: 01613364) fulfills the conditions specified in the Act and the SEBI Listing Regulations for his appointment as a director of the Company. He is not debarred from holding office of director by virtue of any order by the Securities and Exchange Board of India or any other such authority.

The information required to be provided pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard-2 ("SS-2") on General Meetings, in respect of Mr. Amit Jain, is provided as **Annexure A**.

The resolution at Item No. 3 seeks the approval of members for the appointment of Mr. Amit Jain (DIN: 01613364) as non-executive, non-independent director of the Company, pursuant to Section 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and his office shall be liable to retire by rotation.

In view of the skills, expertise and experience of Mr. Amit Jain (DIN: 01613364) and upon recommendation of Nomination and Remuneration Committee, the Board recommends in terms of Regulation 17 of the of the SEBI (LODR) Regulations, 2015, the ordinary resolution, as set out at item no. 3 of accompanying Notice, for approval of the members.

None of the other promoter, directors, key managerial personnel of the Company and/or their relatives, may be deemed to be concerned or interested, financially or otherwise, in the proposed ordinary resolution set out at item no. 3 of the accompanying Notice.

Members' approval is sought by way of **ordinary resolution** proposed under Item no. 3 of the accompanying Notice.

By order of the Board of Directors
For BlueStone Jewellery and Lifestyle Limited
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)

Sd/-
Gaurav Singh Kushwaha
Managing Director
DIN: 01674879

Registered Office:
Site No.89/2 Lava Kusha Arcade, Munnekolal Village,
Outer Ring Road, Marathahalli, Bangalore, Karnataka –560037.

Place: Mumbai
Date: 14th August, 2026

ANNEXURE A

Additional information on Directors recommended for Appointment/Re-appointment pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 in respect of Directors seeking appointment/re-appointment for Item No. 3:

Name of Director	Mr. Amit Jain
Brief Profile	Mr. Amit Jain is the Chief Executive Officer and Co-Founder of CarDekho Group, an Autotech, fintech and mobility services platform valued at USD 1.2 billion and recognised as one of India's homegrown unicorns. An alumnus of IIT Delhi, Mr. Jain began his career as a Software Engineer with Tata Consultancy Services and subsequently spent nearly seven years with the US-based multinational firm Trilogy, where he built a strong foundation in technology and product engineering. In 2007, he co-founded GirnarSoft along with his brother, Mr. Anurag Jain, which laid the foundation for CarDekho Group. Under his leadership, the Group has grown from a home-garage venture in Jaipur into a diversified conglomerate employing over 6,000 professionals and serving more than 40 million active users a month across India and Southeast Asia, with a portfolio spanning Autotech (CarDekho.com, BikeDekho, ZigWheels, PowerDrift), insurtech (InsuranceDekho), fintech (rupyy), mobility (Revv, Carrum) and international operations (CarMudi, Oto) across Indonesia, Malaysia and the Philippines. Mr. Jain also serves on the investors' panel of Shark Tank India and is a member of the Startup Policy Forum, engaging closely with policymakers on initiatives led by Startup India. He is a strong advocate for sustainable growth and has led CarDekho Group to become India's first unicorn to commit to carbon neutrality by 2050 under the United Nations' Climate Neutral Now programme.
DIN	01613364
Date of Birth	12/11/1976
Age (in years)	49 years
Date of first appointment on the Board	-
Qualification	He has graduated from the Indian Institute of Technology (IIT), Delhi, with a Bachelor of Technology (B.Tech.) degree in Civil Engineering.
Expertise in specific Functional Area	A result driven professional, with 17 years of comprehensive experience, credited with combining expertise in engineering to deliver substantial growth in the business. The Company is of the view that his rich professional experience, knowledge and expertise will significantly contribute to the governance, strategic direction and long-term growth of the Company.
Disclosure of Relationships Between Directors Inter-Se;	None
Names of other Listed Entities in which the person also holds the Directorship and the Membership / Chairmanship of Committees of the Board	Nil

Additional information on Directors recommended for Appointment/Re-appointment pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 in respect of Directors seeking appointment/re-appointment for Item No. 3: (Contd.)

Shareholding in the Company as on March 31, 2026	Nil
No. of Board meetings attended during last Financial Year	Nil
Terms and conditions of appointment	Director, liable to retire by rotation.

By order of the Board of Directors
For BlueStone Jewellery and Lifestyle Limited
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)

Sd/-
Gaurav Singh Kushwaha
Managing Director
DIN: 01674879

Registered Office:
Site No.89/2 Lava Kusha Arcade, Munnekolal Village,
Outer Ring Road, Marathahalli, Bangalore, Karnataka –560037.

Place: Mumbai
Date: 14th August, 2026

Form No. SH-13

Nomination Form

(Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014)

To,
The Company Secretary,
BlueStone Jewellery and Lifestyle Limited
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)
Site No. 89/2, Lava Kusha Arcade, Munnekolal Village,
Outer Ring Road, Marathahalli, Bangalore – 560037.

I/We_______________________________________ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

2. PARTICULARS OF NOMINEE/S

(a) Name:

(b) Date of Birth:

(c) Father's/Mother's/Spouse's name:

(d) Occupation:

(e) Nationality:

(f) Address:

(g) E-mail id:

(h) Relationship with the security holder:

3. IN CASE NOMINEE IS A MINOR--

(a) Date of Birth:

(b) Date of attaining majority

(c) Name of Guardian:

(d) Address of Guardian:

Name:____________________________________

Address: __________________________________

Name of the Security Holder(s)____

Signatures:____

Witness with name and address:_______________________________________

Form No. SH-14

Cancellation or Variation of Nomination

(Pursuant to sub-section (3) of section 72 of the Companies Act, 2013 and rule 19(9) of the Companies (Share Capital and Debenture) Rules, 2014)

To,
The Company Secretary,
BlueStone Jewellery and Lifestyle Limited
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)
Site No. 89/2, Lava Kusha Arcade, Munnekolal Village,
Outer Ring Road, Marathahalli, Bangalore– 560037.

I/We ____hereby cancel the nomination(s) made by me/us in favor of ___
____ ____
_____________________________________ (name and address of the nominee).

OR

I/We____ hereby nominate the following person in place of___________
___________________________as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being cancelled/varied)

Nature of securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

2. PARTICULARS OF THE NEW NOMINEE/S

(a) Name:

(b) Date of Birth:

(c) Father's/Mother's/Spouse's name:

(d) Occupation:

(e) Nationality:

(f) Address:

(g) E-mail id:

(h) Relationship with the security holder:

3. IN CASE NOMINEE IS A MINOR--

(a) Date of Birth:

(b) Date of attaining majority

(c) Name of Guardian:

Address of Guardian:

Signature ____

Name of the Security Holder(s)____

Signatures:____

Witness with name and address:____

Board's Report

To,
The Shareholders,
BlueStone Jewellery and Lifestyle Limited ("the Company")
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)

Your Directors have pleasure in presenting Company's 15th Board Report along with the Audited Financial Statements of your Company for the Financial Year ended March 31, 2026.

1. FINANCIAL RESULTS/FINANCIAL SUMMARY:

The Company's financial performance (standalone and consolidated) for the year ended 31st March, 2026 is summarized below:

₹ In millions (Except EPS)

Particulars	Standalone		Consolidated	
	For Year ended on March 31, 2026	For Year ended on March 31, 2025	For Year ended on March 31, 2026	For Year ended on March 31, 2025
Revenue from operations	24,412.30	17,700.02	24,364.24	17,700.02
Other Income	491.81	599.18	495.76	600.34
Total Income	**24,904.11**	**18,299.20**	**24,860.00**	**18,300.36**
Total Expenses	**24,644.11**	**20,491.34**	**24,672.69**	**20,499.29**
Share of Loss of Associate	-	-	(55.52)	(19.44)
Profit/(Loss) before Tax	**260.00**	**(2,192.14)**	**131.79**	**(2,218.37)**
Less: Provisions for taxation	-	-	-	-
Less: Deferred Tax Liability	-	-	-	-
Profit/(Loss) for the year	**260.00**	**(2,192.14)**	**131.79**	**(2,218.37)**
Other comprehensive income	-	-	-	-
Re-measurement of defined benefit liability/(asset)	(0.23)	(8.10)	(0.23)	(8.10)
Total comprehensive Profit/(Loss) for the year	**259.77**	**(2,200.24)**	**131.56**	**(2,226.47)**

2. STATE OF THE COMPANY'S AFFAIRS/OPERATION REVIEW:

During the Financial Year under review on a standalone basis, the Company achieved revenue from operations amounting to ₹ 24,412.30 million, a significant increase from ₹ 17,700.02 million in the previous year. Total expenses for the year were ₹ 24,644.11 million, up from ₹ 20,491.34 million in the previous Financial Year. As a result, the Company recorded a profit of ₹ 260.00 million, as compared to loss of ₹ 2,192.14 million in the previous Financial Year.

3. DIVIDEND AND DIVIDEND POLICY:

Your Directors do not recommend any dividend for the Financial Year under review.

In terms of the Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors approved and adopted Dividend Distribution Policy of the Company setting out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to the shareholders and/or retaining the profits earned by the Company. The Policy is annexed to this Report as **Annexure-1** and is also available on the website of the Company at the weblink: "https://www.bluestone.com/investor-relations.html#governance" under the tab

"Governance -> Policies"

https://kinclimg1.bluestone.com/static/ir/plcs/BlueStone_Dividend_Distribution_Policy.pdf

4. TRANSFER TO RESERVES:

During the year under review, the Board of Directors has not recommended transfer of any amount to reserves.

5. CHANGE IN NATURE OF BUSINESS:

During the year under review, there has been no change in the nature of business of your Company.

6. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH INITIAL PUBLIC OFFER (IPO) AS SPECIFIED UNDER REGULATION 32 (7A):

During the year under review, the Company had completed its Initial Public Offer (IPO) aggregating to ₹ 15,40,64,95,566/-, comprising 2,97,99,798 Equity Shares at an issue price of ₹ 517/- per share, and its equity shares were listed on BSE Limited and National Stock Exchange of India Limited on August 19, 2025; the IPO comprised a fresh issue of 1,58,60,735 Equity Shares of face value ₹ 1/- each and an offer for sale of 1,39,39,063 Equity Shares of face value ₹ 1 each, and funds has been utilised as per the object of the IPO and as mentioned in the Prospectus.

7. REVISION OF FINANCIAL STATEMENT:

According to Secretarial Standard-4, if a company revises its financial statements or reports for any of the three preceding Financial Years - whether voluntarily or as directed by a judicial authority - the detailed reasons for such revisions must be disclosed in both the report for the current year and the report for the relevant Financial Year in which the revision occurred.

For your Company, there were no revisions to the financial statements in any of the three preceding Financial Years.

8. SHARE CAPITAL:

a) Capital Structure of the Company as on March 31, 2026:

The Authorized share capital of the Company during the year was ₹ 45,05,00,000/- (Indian Rupees Forty Five Crores Five Lakhs only), below changes was undertaken during the year:

Sr. No.	Equity Shares	Preference Shares
1	16,82,90,700 (Sixteen Crore Eighty-Two Lakhs Ninety Thousand Seven Hundred) Equity Shares of ₹ 1/- (Rupee One Only) each aggregating to ₹ 16,82,90,700/- (Rupees Sixteen Crore Eighty- Two Lakhs Ninety Thousand Seven Hundred Only);	i. 6,09,594 (Six Lakh Nine Thousand Five Hundred Ninety-Four) Series A Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 60,95,940 (Rupees Sixty Lakhs Ninety Five Thousand Nine Hundred Forty Only); ii. 1,86,982 (One Lakh and Eighty-Six Thousand Nine Hundred Eighty-Two) Series B Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 18,69,820/- (Rupees Eighteen Lakhs Sixty-Nine Thousand Eight Hundred Twenty Only); iii. 88,624 (Eighty-Eight Thousand Six Hundred Twenty-Four) Series B1 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 8,86,240/- (Rupees Eight Lakhs Eighty-Six Thousand Two Hundred Forty Only); iv. 13,39,659 (Thirteen Lakhs Thirty-Nine Thousand Six Hundred and Fifty-Nine) Series B2 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 1,33,96,590/- (Rupees One Crore Thirty-Three Lakhs Ninety-Six Thousand Five Hundred Ninety Only); v. 1,28,207 (One Lakh Twenty-Eight Thousand Two Hundred and Seven) Series B3 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 12,82,070/- (Rupees Twelve Lakhs Eighty-Two Thousand Seventy Only);

a) Capital Structure of the Company as on March 31, 2026: (Contd.)

Sr. No.	Equity Shares	Preference shares
		vi. 14,17,252 (Fourteen Lakhs Seventeen Thousand Two Hundred Fifty-Two) Series C Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 1,41,72,520/- (Rupees One Crore Forty-One Lakhs Seventy-Two Thousand Five Hundred Twenty Only); vii. 19,80,112 (Nineteen Lakhs Eighty Thousand One Hundred Twelve) Series D Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 1,98,01,120/- (Rupees One Crore Ninety-Eight Lakhs One Thousand One Hundred Twenty Only); viii. 6,25,000 (Six Lakhs Twenty-Five Thousand) Series D1 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 62,50,000/- (Rupees Sixty-Two Lakhs Fifty Thousand Only); ix. 6,00,000 (Six Lakhs) Series D2 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 60,00,000/- (Rupees Sixty Lakhs Only); x. 3,00,000 (Three Lakhs) Series D3 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 30,00,000/- (Rupees Thirty Lakhs Only); xi. 1,69,122 (One Lakh Sixty-Nine Thousand One Hundred Twenty Two) Series E Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 16,91,220/- (Rupees Sixteen Lakhs Ninety-One Thousand Two Hundred Twenty Only); xii. 7,292 (Seven Thousand Two Hundred Ninety-Two) Series E1 Optionally Convertible Redeemable Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 72,920/- (Rupees Seventy-Two Thousand Nine Hundred Twenty Only); xiii. 3,95,840 (Three Lakhs Ninety-Five Thousand Eight Hundred Forty) Series E2 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 39,58,400/- (Rupees Thirty-Nine Lakhs Fifty-Eight Thousand Four Hundred Only; xiv. 3,23,246 (Three Lakhs Twenty-Three Thousand Two Hundred Forty-Six) Series F Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 32,32,460/- (Rupees Thirty-Two Lakhs Thirty-Two Thousand Four Hundred Sixty Only); xv. 1,90,00,000 (One Crores Ninety Lakhs) Series G Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 19,00,00,000/- (Rupees Nineteen Crores Only). xvi. 1,05,00,000 (One Crore Five Lakh) Series H Preference Shares of ₹ 1/- (Rupee One only) each aggregating to ₹ 1,05,00,000/- (Rupees One Crores Five Lakhs Only).

During the year on September 29, 2025, pursuant to approval of the members of the company, preference shares has been reclassified into equity shares of the Company and the capital structure as on March 31, 2026 is as follows:

₹45,05,00,000/- (Indian Rupees Forty Five Crores Five Lakhs only) divided into 45,05,00,000 (Forty Five Crores Five Lakhs) Equity Shares of ₹ 1/- (Indian Rupee One only) each.

The issued, subscribed and paid-up share capital of the Company as on 31st March, 2026 is ₹ 15,22,31,365/- (Indian Rupees Fifteen Crore Twenty Two Lakhs Thirty One Thousand Three Hundred and Sixty Five Only) divided into 15,22,31,365 Equity shares of ₹ 1/- (Indian Rupee One only) each.

Further, following corporate actions were undertaken during the year in relation to issued, subscribed and paid-up share capital:

Sr. No.	Event
1.	Pursuant to the Board resolution dated July 04, 2025, Conversion of 3,54,74,930 Compulsory Convertible Preference Shares ("CCPS") CCPS into 10,02,24,637 Equity Shares subsequent to conversion of CCPS into fully paid up Equity Shares of face value of ₹ 1 (Indian Rupee One) each of the Company.
2.	Pursuant to the Public issue of shares through Initial Public Offering (IPO) on August 14, 2025, the IPO committee of the board of directors of the Company has allotted 2,97,99,798 Equity Shares (comprising of Offer for Sale 1,39,39,063 Equity Shares and Fresh Issue 1,58,60,735 Equity Shares) of face value of ₹ 1 (Indian Rupee One) each of the Company are allotted at an offer price of ₹ 517/- per Equity Shares.
3.	**Allotment of Equity Shares Under BlueStone Jewellery and Lifestyle - Employee Stock Option Plan 2014 ("ESOP 2014 Plan"):** The Company has allotted fully paid up Equity Shares of face value of ₹ 1 (Indian Rupee One Only) to the ESOP holders as per the ESOP 2014 policy plan, the details of allotment are as below:

Sr. No.	Date of Allotment	No. of Shares allotted	Amount Per Share (₹)
1	03rd January, 2026	1,23,069	1
2	22nd January, 2026	2,95,857	1
3	16th February, 2026	65,494	1
4	18th March, 2026	4,26,573	1

b) Issue of Shares under Employees Stock Option Scheme:

The "BlueStone Jewellery and Lifestyle Employees Stock Option Plan – 2014" was authorised by the Board of Directors on May 8, 2014 and by a special resolution of the shareholders passed at the Extraordinary General Meeting of the Company held on May 09, 2014. Subsequently, this scheme was amended by the Board on June 23, 2016, July 4, 2016, September 29, 2016, July 11, 2022, August 03, 2022, August 16, 2024 and on April 09, 2025 and by the shareholders on June 24, 2016, July 5, 2016, September 30, 2016, July 20, 2022, August 09, 2022, August 21, 2024 and on May 02, 2025.

The details are as follows:

(a) Total number of stock options granted in F.Y. 2025-26: **16,47,192**

(b) Total number of stock options vested during the year: **11,18,933**

(c) Total number of stock options exercised/ modified: **9,71,100**

(d) Total number of shares arising as a result of exercise of options: **9,10,993**

(e) Total number of stock options lapsed during the year: **1,55,327 (out of the Options granted)**

(f) Exercise Price: ₹ **1/-**

(g) Variation of terms of options: There is no variation in terms of options. The Company has amended its Employee Stock Option Plan, 2014 and increased the ESOP Pool from 74,84,330 (Seventy-Four Lakh Eighty-Four Thousand Three hundred and Thirty) ESOPs to 1,17,27,642 (One Crore Seventeen Lakh Twenty- Seven Thousand Six Hundred and Forty-Two) ESOPs vide special resolution passed at Extra Ordinary General Meeting of the members held on May 02, 2025.

(h) Money realized by exercise of options: ₹ **9,10,993**

(i) Total number of options in force as on 31st March, 2026: **39,21,601**

(j) Employee wise details of options granted to:

i. Key Managerial Personnel/Senior Managerial Personnel:

Sr. No.	Name of the employees	No. of options granted
1.	Mr. Vipin Sharma (CMO)	Nil
2.	Mr. Sudeep Nagar (COO)	16,02,557
3.	Mr. Rumit Dugar (CFO)	Nil
4.	Mr. Harshit Desai	Nil
5.	Mr. Mikhil Raj	Nil
6.	Mr. Tarun Rajput	Nil
7.	Mr. Gaurav Sachdeva *	Nil

*Mr. Gaurav Sachedva was appointed as Senior Managerial Personnel of the Company with effect from July 15, 2025 and ceased as Senior Managerial Personnel of the Company with effect from March 09, 2026.

ii. Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year: N.A.

iii. Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant: The Company has granted 16,02,557 ESOPs to Mr. Sudeep Nagar, the Chief Operating Officer of the Company representing 1.04% (one point one zero percent) of the fully diluted share capital of the Company vide special resolution passed at the EOGM.

(k) In compliance with the Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEBSE Regulations") a certificate from Secretarial Auditor of the Company, confirming implementation of ESOP Scheme in accordance with the said regulations will be available electronically for inspection by the Members during the AGM of the Company.

c) Surrender of ESOP:

None of the ESOPs shares are surrendered and returned back to the ESOP pool.

d) Issue of Sweat Equity Shares

The Company has not issued any Sweat Equity Shares during the year under review.

e) Buy back of Shares

The Company has not bought back any of its securities during the year under review.

f) Issue of Shares with differential rights

The Company has not issued any shares with differential rights during the year under review.

g) Registrar & Share Transfer Agent

KFin Technologies Limited was the Registrar & Share Transfer Agent (RTA) as on 31st March, 2026.

The Company had granted ESOPs options during the Financial Year 2025-26. Disclosure as required under Regulation 14 of the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and Part-F of Schedule I to the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 are as under:

(a)	Name of the ESOP Plan	BlueStone Jewellery and Lifestyle– Employee Stock Option Plan 2014
(b)	Date of shareholders' approval	May 09, 2014
(c)	Total number of options approved under ESOS	1,17,27,642
(d)	Vesting requirements	The ESOPs granted under the ESOP 2014 Plan would vest not less than 1 year and not more than 7 years from the date of grant of the ESOPs, subject to continued employment with the Company. In the event of death or permanent incapacity of an employee, the minimum vesting period of one year shall not be applicable. The Nomination and Remuneration Committee ("**NRC**") has the powers to specify certain parameters based on time and individual performance or Company performance, subject to which the ESOPs would vest. The specific vesting percentage, schedule and conditions subject to which vesting would take place would be outlined in the letter of grant given to the ESOP grantee at the time of grant of ESOPs. The NRC may, at its sole discretion, accelerate vesting of any ESOPs, subject to compliance with the minimum vesting period prescribed under applicable law.
(e)	Exercise price or pricing formula	Exercise Price" means the price, if any, payable by an ESOP grantee in order to exercise the ESOPs granted to him/her in pursuance of the ESOP 2014 Plan. The exercise price shall be determined by the NRC as per the applicable laws, at the time of granting ESOPs and shall be mentioned in the letter of grant.
(f)	Maximum term of options granted	The ESOPs granted shall be capable of being exercised within a period of ten years from the date of vesting of the respective ESOPs. This is subject to certain scenarios outlined in the ESOP 2014 Plan (in which case the ESOPs will be exercised/settled in the manner so prescribed in the ESOP 2014 Plan) in the event of (a) Resignation/Termination (other than due to misconduct or breach of company policies/terms of employment), (b) Termination due to misconduct or due to breach of policies or the terms of employment, (c) Retirement, (d) Death, (e) Termination due to Permanent Incapacity, (f) Abandonment of Employment without Company's consent, (g) Long Leave, and (h) Other reasons apart from those mentioned above.
(g)	Source of shares (primary, secondary or combination)	Primary
(h)	Variation in terms of options	No modifications were made to the scheme.

(II) Method used to account for ESOS - Intrinsic or fair value.

The Company has recognized compensation cost using fair value method of accounting. The Company has recognized stock option compensation cost of ₹ 926.50 million in the statement of profit and loss for the Financial Year 2025-26.

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(III) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	
The Company accounted for employee compensation cost on the basis of fair value of the options.	
(IV) Option movement during the year	
Number of options outstanding at the beginning of the year	35,48,669
Number of Options granted during the year	16,47,192
Number of Options forfeited/lapsed[1] during the year	1,55,327
Number of Options vested during the year	11,18,933
Number of Options exercised[2] during the year	9,71,100
Number of shares arising as a result of exercise of option	9,10,993
Money realized by exercise of options (₹), if scheme is implemented directly by the Company	9,71,100/-
Loan repaid by the Trust during the year from exercise price received	**Not Applicable**
Number of options outstanding at the end of the year/total number of options in force	39,21,601
Number of options exercisable at the end of the year	25,12,264

Note 1: Out of the options granted

Note 2: 60,107 no. of shares pending to be allotted

Employee wise details of options granted during the year:

• Senior management	Granted during the Financial Year 2025-26: Mr. Rumit Dugar - NIL Mr. Sudeep Nagar – 16,02,557 Mr. Vipin Sharma - Nil Mr. Harshit Desai – Nil Mr. Mikhil Raj – Nil Mr. Tarun Rajput – Nil Mr. Gaurav Sachdeva – Nil (Senior Managerial Personnel with effect from July 15, 2025 and resigned on March 09, 2026)
• Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	Nil
• Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Granted during the Financial Year 2025-26 (basis only outstanding Equity Shares): Mr. Rumit Dugar - Nil Mr.Vipin Sharma - Nil Mr. Sudeep Nagar – 16,02,557 (representing 1.04% of the Fully Diluted Share Capital) **Note:** No employee granted ≥1% of issued capital on fully diluted basis (post- Compulsory Convertible Preference Shares - conversion)

Employee wise details of options granted during the year: (Contd.)

Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 "Earnings Per Share".	2.07
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	The Company accounted for employee compensation cost on the basis of fair value of the options.
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Weighted-average exercise prices – ₹ 1 Weighted-average fair value – 557.43
The number and weighted average exercise prices of stock options	
Opening balance	35,48,669
Granted during the year	16,47,192
Exercised during the year	9,71,100
Lapsed during the year	1,55,327
Expired during the year	12,171
Closing balance	39,21,601
Exercisable at the end of the year	25,12,264
i. the weighted average values of share price,	557.43
ii. the weighted average values of exercise price	₹ 1
iii. expected volatility	41.67%
iv. expected Option life	4 years
v. expected dividends	Nil
vi. risk-free interest rate	6.77%
vii. Method used and the assumptions made to incorporate the effects of expected early exercise;	Black Scholes Merton method is used for fair valuation of ESOP.

Employee wise details of options granted during the year: (Contd.)

viii.	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	At the time of grant, the Company was unlisted Accordingly, the expected volatility used for valuation purposes has been determined based on the historical volatility of comparable listed entities (peer group), as the Company's own share price information was not available.
ix.	whether and how any other features of the options granted were incorporated into measurement of fair value, such as a market condition.	The following factors have been considered: (a) Share Price (b) Exercise price (c) Historical volatility (d) Excepted option life (e) Dividend Yield
x.	the price of the underlying share in market at the time of option grant.	₹ 557.43

A Certificate obtained from M/s. Mihen Halani and Associates, Company Secretary, Secretarial Auditors of the Company for the Financial Year 2025-2026 with respect to the implementation of BLUESTONE JEWELLERY AND LIFESTYLE LIMITED Employee Stock Option Plan 2014 would be placed before the members at the ensuing Annual General Meeting of the Company and a copy of the same shall be available for inspection at the registered office of the Company.

Information as required under Regulation 14 read with Part F of Schedule I of the SBEB Regulations 2021 has been uploaded on the Company's website and can be accessed at the Web-link:

Web Link: https://kinclimg1.bluestone.com/static/ir/rfd/Table-F_v1.pdf

c) Disclosure of Shares held in suspense account in terms of Regulation 39 read with Clause F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

		No. of shareholders	No. of shares
a)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	NIL	NIL
b)	number of shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL	NIL
c)	number of shareholders to whom shares were transferred/credited from suspense account during the year	NIL	NIL
d)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL	NIL
e)	that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	NIL	NIL
	Balance Outstanding	NIL	NIL

d) Listing with the Stock Exchanges

The Company's equity shares are listed on the BSE Limited (BSE), and the National Stock Exchange of India Limited (NSE) (collectively, the "**Stock Exchanges**").

Applicable annual listing fees for the year 2025-26 have been paid to all the stock Exchanges i.e the BSE and NSE as per the invoices received by the Company.

9. DEPOSITS:

The Company has not invited, accepted, or renewed any deposits from the public within the meaning of the Chapter V of under the Companies Act, 2013 and rules thereunder. There are no unpaid or unclaimed deposits as the end of the Financial Year 2025-2026. Further, no amount of principal or interest on deposit was outstanding as at the end of the year under report and there has been no default in repayment thereof.

10. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company has the following Subsidiary and Associate Companies:

Sr. No.	Name of Company	CIN	Type of Holding
1	Ethereal House Private Limited	U32111HR2024PTC124350	Subsidiary
2	Redefine Fashion Private Limited	U74101KA2024PTC191944	Associate

Highlights & Significant Subsidiary, Joint Ventures/Associates are as under:

Ethereal House Private Limited:

The performance of the Company for the Financial Year ended 31st March, 2026 is summarized as below:

(Amount in ₹ million)

Particulars	Year ended 31st March, 2026
Revenue from operation	63.14
Other Income	3.99
Total Income	**67.13**
Less: Purchases of stock-in-trade	238.74
Change in inventories of finished goods, work-in-progress and stock-in-trade	(206.38)
Employees Benefit Expenses	37.47
Finance costs	8.93
Depreciation And Amortization Expenses	18.01
Other Expenses	38.07
Total Expenses	**134.84**
Profit/(Loss) before Tax	**(67.71)**
Less: Current Tax	Nil
Deferred Tax	Nil
Profit/(Loss) after Tax	**(67.71)**

Redefine Fashion Private Limited:

The performance of the Company for the Financial Year ended 31st March, 2026 is summarized as below:

(Amount in ₹ million)

Particulars	Year ended 31st March, 2026
Revenue from Operations	8.24

Redefine Fashion Private Limited: (Contd.)

(Amount in ₹ million)

Particulars	Year ended 31st March, 2026
Other Income	3.94
Total Income	**12.18**
Less: Cost of materials consumed	7.60
Change in inventories of finished goods and work-in-progress	(3.56)
Finance costs	2.48
Employee Benefit	55.47
Depreciation and amortization expense	9.67
Other Expenses	48.97
Total Expenses	**120.63**
Net Profit/(Loss) before tax	**(108.44)**
Less: Provision for Tax	
Current Tax	Nil
Deferred tax	Nil
Net Profit/(Loss) after Tax	**(108.44)**

A Statement containing salient features of the Financial Statement and related information of the subsidiary and associates in the prescribed format Form AOC - 1 pursuant to first proviso to sub- section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 is appended as **Annexure-2** to the Board's Report.

The Company does not have any Joint Venture Companies during the year under review.

During the year under review, no entity has ceased to be a Subsidiary, Joint Venture or Associate of the Company.

11. COMPOSITION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Since the last report, following changes took place in the Board of Directors and Key Managerial Personnel. The Directors and Key Managerial Personnel were as follows:

Sr. No.	Name of Directors	DIN	Designation
1.	Mr. Prashanth Prakash	00041560	Non-Executive Director
2.	Mr. Gaurav Singh Kushwaha	01674879	Chairman and Managing Director
3.	Mr. Sameer Dileep Nath	07551506	Non- Executive Director
4.	Mr. Rohit Bhasin	02478962	Independent Director
5.	Ms. Neha	06380757	Independent Director
6.	Mr. Rajesh Kumar Dahiya	07508488	Independent Director
7.	Mr. Rumit Dugar	-	Chief Financial Officer
8.	Mr. Paras Shah	-	Company Secretary and Compliance Officer

During the year under review following were the changes in the composition of directors and key managerial personnel.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sameer Dileep Nath is retiring by rotation at the forthcoming Annual General Meeting. Mr. Sameer Nath has indicated to the Company that he is not seeking reappointment in view of his other commitments. Mr. Sameer Nath has been on the Board of the Company since 05th July 2016.

Based on the recommendation of the Nomination and Remuneration Committee, the Board has approved the appointment of Mr. Amit Jain (DIN: 01613364) as a Non-Executive, Non-Independent Director of the Company, liable to retire by rotation, in the vacancy so caused, subject to the approval of the Members at the ensuing Annual General Meeting. Details of Mr. Amit Jain's appointment, including his brief profile, are set out in the Notice of the AGM and forms part of this Annual Report.

Details about the directors being (re)-appointed are given in the Notice of the forthcoming Annual General Meeting which is being sent to the members along with the Annual Report.

The following have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- Mr. Gaurav Singh Kushwaha, Chairman and Managing Director
- Mr. Rumit Dugar, Chief Financial Officer
- Mr. Paras Shah, Company Secretary and Compliance Officer

Independent Directors

The Independent Directors have individually declared to the Board that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and the SEBI (LODR), 2015 at the beginning of the year and there is no change in the circumstances as on the date of this Report which may affect their status as an Independent Director.

Further, in the opinion of the Board the Independent Directors, possess requisite skills, expertise, experience and integrity. For details on the required skills, expertise, experience, please refer to the disclosure made under Point No. II – “Board of Directors” of the Corporate Governance Report annexed as **Annexure-5** to this report.

A detailed note on the composition of the Board and its Committees, including its terms of reference, number of committee meetings held during F.Y. 2025-26, and attendance of the members, is provided in the Report of Corporate Governance forming part of the Annual Report. The composition and terms of reference of all the Committees of the Board of Directors of the Company are in line with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

12. MEETINGS HELD DURING THE FINANCIAL YEAR:

The Board of Directors holds meetings at regular intervals, with not more than 120 days between consecutive meetings. During the period from 1 April 2025 to 31 March 2026, the Board met 12 times on the following dates:

Sr. No.	Date of Board Meetings	Number of Directors entitled to attend the Meeting	Number of Directors attended the Meeting
1.	09.04.2025	6	6
2.	24.04.2025	6	6
3.	04.07.2025	6	5
4.	15.07.2025	6	5
5.	16.07.2025	6	5
6.	04.08.2025	6	6
7.	05.08.2025	6	6
8.	13.08.2025	6	6
9.	04.09.2025	6	6
10.	04.11.2025	6	6
11.	14.01.2026	6	6
12.	22.01.2026	6	6

The minutes of the meetings of the Board of Directors are maintained according to the provisions of Secretarial Standards and the Companies Act, 2013. Further the record of attendance of Directors to the Board Meeting for the Financial Year under review is as follows:

Director	Board Meetings during the F.Y. 2025-26	
	Entitled to attend	Attended
Mr. Prashanth Prakash	12	11
Mr. Gaurav Singh Kushwaha	12	12
Mr. Sameer Dileep Nath	12	11
Mr. Rohit Bhasin	12	12
Mr. Rajesh Kumar Dahiya	12	12
Ms. Neha	12	11

Further, the Shareholders have met on the following dates during Financial Year 2025-26:

Sr. No.	Date	Type of General Meeting
1.	02.05.2025	Extra-ordinary General Meeting
2.	29.09.2025	Annual General Meeting

Committee Meetings:

A. Audit Committee Meeting:

Sr. No.	Date	Number of Members entitled to attend the Meeting	Number of Members attended the Meeting
1	24.04.2025	3	3
2	16.07.2025	3	3
3	04.08.2025	3	3
4	04.09.2025	3	3
5	04.11.2025	3	3
6	14.01.2026	3	3
7	22.01.2026	3	3
8	24.03.2026	3	2

B. Nomination And Remuneration Committee Meeting:

Sr. No.	Date	Number of Members entitled to attend the Meeting	Number of Members attended the Meeting
1	09.04.2025	3	3
2	15.07.2025	3	2
3	04.09.2025	3	2
4	04.11.2025	3	3
5	22.01.2026	3	3

C. Stakeholder Relationship Committee Meeting:

Sr. No.	Date	Number of Members entitled to attend the Meeting	Number of Members attended the Meeting
1	24.04.2025	4	4
2	01.12.2025	4	4

D. Risk Management Committee Meeting:

Sr. No.	Date	Number of Members entitled to attend the Meeting	Number of Members attended the Meeting
1	24.04.2025	3	3
2	15.10.2025	3	2

E. Corporate Social Responsibility Committee Meeting:

Sr. No.	Date	Number of Members entitled to attend the Meeting	Number of Members attended the Meeting
1	26.01.2026	3	3

F. IPO Committee Meeting:

Sr. No.	Date	Number of Members entitled to attend the Meeting	Number of Members attended the Meeting
1	19.06.2025	2	2
2	24.07.2025	2	2
3	08.08.2025	2	2
4	14.08.2025	2	2
5	14.08.2025	2	2

G. Independent Director Committee Meeting:

Sr. No.	Date	Number of Members entitled to attend the Meeting	Number of Members attended the Meeting
1	05.08.2025	3	3
2	20.03.2026	3	3

H. Operation Committee Meeting:

Sr. No.	Date	Number of Members entitled to attend the Meeting	Number of Members attended the Meeting
1	11.04.2025	3	3
2	12.05.2025	3	3
3	20.06.2025	3	3
4	26.06.2025	3	3
5	10.07.2025	3	2
6	23.07.2025	3	2
7	30.07.2025	3	3
8	06.08.2025	3	3
9	21.08.2025	3	2

H. Operation Committee Meeting: (Contd.)

Sr. No.	Date	Number of Members entitled to attend the Meeting	Number of Members attended the Meeting
10	05.09.2025	3	3
11	25.09.2025	3	3
12	04.11.2025	3	3
13	03.12.2025	3	3
14	29.01.2026	3	2
15	05.02.2026	3	3
16	23.02.2026	3	3
17	10.03.2026	3	3
18	16.03.2026	3	3

13. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND VIGIL MECHANISM POLICY:

During the review period and in accordance with the provisions of Section 177 of the Companies Act, 2013, along with Rules 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013, the Company had formed the Audit Committee & formulated the policy on Vigil Mechanism. The composition of the Audit committee is as follows:

1. Rohit Bhasin, Independent Director (Chairperson);
2. Rajesh Dahiya, Independent Director (Member); and
3. Sameer Dileep Nath, Non- Executive Director (Member).

The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of this Annual Report.

For Company's policy on establishment of Vigil Mechanism for Directors and Employees, please refer to the **Para IX** - Details of Establishment of Vigil Mechanism for Directors and Employees of the"Corporate Governance Report" annexed to the Directors Report as **Annexure-5**.

14. NOMINATION AND REMUNERATION POLICY:

For Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, Independence of Directors and other matters provided under sub-section (3) of section 178, please refer to the Nomination and Remuneration Policy available on the website of the Company and Corporate Governance Report annexed to the Directors Report.

15. COMMITTEES OF THE BOARD OF DIRECTORS:

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities as mandated by applicable regulations; which concern the Company and need a closer review. Majority of the Members constituting the Committees are Independent Directors and each Committee is guided by its terms of reference, which provide for the composition, scope, powers & duties and responsibilities. The minutes of the Meeting of all Committees are placed before the Board for review.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

Information on the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee, the Risk Management Committee, and the Environmental, Social and Governance and Corporate Social Responsibility Committee and meetings of those committees held during the year under Report and recommendations, if any, of the Committees not accepted by the Board is given under Para No. (III) to (VII) of the "Corporate Governance Report" annexed to the Directors' Report as **Annexure-5**.

Board and Committee Meetings: For disclosure on the number of Board Meetings and Committee Meetings, the date on which the meetings were held and the attendance of each of the Directors, please refer to the Para (II) to Para (XI) of the "Corporate Governance Report" annexed to the Directors' Report as **Annexure-5**.

16. ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

The Independent Director and Nomination and Remuneration Committee ("NRC") has carried out the evaluation of the performance of the Board as a whole, the functioning of the Committees of the Board, individual Directors, and the Chairperson of the Board, in accordance with the applicable provisions of the Companies Act, 2013.

The Board acknowledges the importance of instituting a structured annual performance evaluation as a key enabler to strengthen the governance standards and enhance overall Board effectiveness. In line with the requirements of the Companies Act, 2013, and SEBI (LODR) Regulations, the Board has established a formal framework for its performance evaluation.

The Nomination and Remuneration Committee, as the Nodal agency, reviewed and approved the evaluation criteria and the overall approach for carrying out the exercise. For the year under review, the NRC appointed Potentia, an independent external partner, to conduct the annual evaluation of the Board, Board Committees and Individual Directors.

Detailed questionnaires were circulated to the members of the NRC to facilitate the evaluation process. The performance of the Board was assessed based on various criteria, including the composition of the Board, quality and timeliness of information flow, effectiveness in addressing strategic issues, clarity of roles and responsibilities, relationship with management, engagement with stakeholders, and focus on developmental areas.

The performance of the Committees was evaluated based on inputs received from Committee members, considering factors such as understanding of the terms of reference, composition, independence, and contribution to Board decisions.

The performance of individual Directors was evaluated based on feedback from all Directors, excluding the Director being evaluated.

Based on the evaluation process, the NRC expressed satisfaction with the overall performance of the Board, its Committees, and all individual Directors.

The evaluation results reflected a strong level of commitment and engagement from the Board and its Committees. The recommendations arising from the evaluation were discussed at the meeting of Independent Directors held on 20 March 2026. These recommendations were subsequently reviewed by the Board with a view to further enhancing the effectiveness and functioning of the Board and its Committees.

Performance Evaluation

A. Approach:

The Board of Company believes that an effective assessment process plays a critical role in enhancing strong board oversight and corporate governance, which in turn contributes to long-term value to the Company and all its stakeholders.

B. Board Evaluation process:

To facilitate an effective evaluation of the performance of the Board, its committees, and Individual Directors, the Nomination and Remuneration Committee appointed Potentia, a specialist service provider, to support Company Annual Board Evaluation exercise for the year under review. The Nomination and Remuneration Committee was involved in finalizing the evaluation framework, which the partner proposed based on contemporary best practices and tailored to the Company's specific needs.

The evaluation process was conducted using structured questionnaires to assess the functioning of the Board as a whole, each Board committee, and individual directors. It was administered via the proprietary online platform Fidem, ensuring confidentiality and anonymity of responses. This approach enabled candid feedback and reflections from Directors, enhancing psychological safety and supporting an objective assessment. In addition to the structured statements containing the Likert and other special questions, the process also incorporated open-text inputs to capture qualitative insights.

C. Evaluation framework and criteria:

The evaluation process, using a structured framework and, inter alia, covered the following aspects of Board Performance:

1. **Oversight and Strategic Direction** - Assessment of the Board's role in providing strategic guidance and oversight across key areas such as strategy, risk, and operations. This also included oversight of Executive performance, Succession planning, and opportunities for continuous improvement.

2. **Structure and Composition** - Evaluation of the Board and Committee composition, including the diversity of skills and competencies, as well as clarity of roles and responsibilities of individual Directors and Committees.

3. **Board Cadence** - Review of the effectiveness of Board and Committee meeting planning, quality and timeliness of information flow, and adequacy of documentation and record-keeping practices.

4. **Norms and Processes** - Assessment of the norms and processes followed by Directors, including levels of engagement, professional commitment, openness of discussions, and effective use of Directors' expertise and experience.

5. **Board's Relationships** - with external stakeholders, internal stakeholders in the Company, and among directors.

6. **Board Leadership** - Assessment of leadership at the Board, Committee and Executive levels.

D. Review of Board Evaluation Findings

The results of the evaluation were presented by the Nomination and Remuneration Committee chair to the Independent Directors. The consolidated Board report was shared with all Directors. The committee-level scorecards and peer feedback reports were shared with committee chairs and individual directors respectively.

The Key Suggestion/Focus area: Based on the Outcomes of this year's Annual Board Evaluation, the Board has identified the following focus area for further action:

- Monitor a strong succession pipeline for the CEO role.
- Robust process for identifying next -generations leaders.
- The Board decided to continue to update Directors on emerging risks and industry developments.
- A thrust on ESG imperatives relevant to the Company.

17. DECLARATION OF INDEPENDENT DIRECTORS:

The Company has received the declaration from all the Independent Directors as per the provisions of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations for the year ended 31st March, 2026 that they meet the criterial of independence prescribed under the Companies Act, 2013 and the SEBI Listing Regulations and there is no change in the circumstances as on date of this Report which may affect the status as an Independent Director. Your Board confirms that in their opinion the Independent Director fulfills the conditions of independence as prescribed under the Companies Act, 2013 and independent of the management.

Further, in the opinion of the Board, the Independent Directors appointed possesses requisite skills, expertise, experience (including proficiency) and integrity. For details on the required skills, expertise, competencies, please refer to the disclosure made under Point No. II B – "Board of Directors" of the Corporate Governance Report annexed as **Annexure-5** to this report.

All the Independent Directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs, Manesar, Haryana ("**IICA**") as notified by the Central Government under Section 150(1) of the Companies Act, 2013 and shall undergo online proficiency self-assessment test, conducted by the IICA, as may be applicable, and pass the same within the time prescribed by the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014.

Further, none of the Directors of the Company are disqualified for being appointed as Directors as specified under Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

18. RISK MANAGEMENT POLICY OF THE COMPANY:

Risk management is integral to the Company's strategy and for the achievement of the long-term goals. Our success as an organisation depends on our ability to identify and leverage the opportunities while managing the risks. Further the Company is in process of Initial Public offer, the Company has in place the Risk management policy as required under Regulation 21 read with Schedule II – Part D of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). The Company has in place the Risk Management Committee which comprises the below members:

1. Mr. Rohit Bhasin, Independent Director (Chairperson);
2. Mr. Rajesh Dahiya, Independent Director (Member);
3. Mr. Sameer Dileep Nath, Non-Executive Director (Member); and
4. Ms. Neha, Independent Director (Member).

The Policy is also available on the website of the Company: "https://www.bluestone.com/investor-relations.html#governance" under the tab.

"Governance -> Policies"

https://kinclimg1.bluestone.com/static/ir/plcs/BlueStone_Risk_Management_Policy.pdf

For the key business risks identified by the Company which may threaten the existence of the Company, please refer paragraph on risk and concerns in Management Discussion and Analysis Report.

19. CYBER SECURITY:

The Company recognizes the critical importance of Cyber Security in safeguarding customer data, transaction systems, and digital platforms, particularly in its retail and e-commerce operations. A robust information security framework, aligned with applicable laws and industry standards, has been implemented and is subject to periodic review.

Cyber Security risks are integrated into the enterprise risk management framework, with regular vulnerability assessments and penetration testing carried out across retail systems, websites, and mobile applications. The Board and its Committees are periodically apprised of Cyber risk exposures and mitigation measures.

The Company has implemented strong controls over payment systems, customer data protection, and access management to ensure secure transactions across stores and online channels. The Company also evaluates cyber risks associated with third-party vendors, including payment gateways and logistics partners.

During the year under review, no material Cyber Security incidents impacting the Company's operations were reported. The Company continues to enhance its Cyber resilience in line with evolving digital and retail risks.

The Risk Management Committee of the Company has been entrusted by the Board with the responsibility of reviewing the risk management process in the Company and ensuring that the risks are brought within acceptable limits. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of this Annual Report.

20. STATUTORY AUDITORS:

M/s. M S K A & Associates, Chartered Accountants, Mumbai (FRN: 105047W) were appointed as Statutory Auditors of the Company at the Annual General Meeting of the Company held on 30th September, 2023 for a period of five years until the conclusion of Annual General Meeting of the Company to be held for the Financial Year 2027-28 i.e. for a period of 5 year.

Total Fees for all services paid by the Company and its subsidiary, on a consolidated basis, to the Statutory Auditor and all entities in a network firm/network entity of which the Statutory Auditor is a part during the Financial Year under Report is ₹ 50,00,000/-.

During the year M S K A & Associates, Chartered Accountants (the "Firm") have intimated the Company that the Firm has converted itself into a Limited Liability Partnership ("LLP") under the provisions of the Limited Liability Partnership Act, 2008 and is now known as "M S K A & Associates LLP", with ICAI Firm Registration No.105047W/W101187.

The Statutory Auditors will continue and discharge their obligations as Statutory Auditors for the remaining period of their current tenure.

21. OBSERVATIONS OF THE STATUTORY AUDITOR'S ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2026:

The Statutory Auditors of the Company have made no observations, reservations, adverse remarks, disclaimers or qualifications. Their remarks in the report for the Financial Year ended 31 March 2026 are self-explanatory and are detailed in the Financial Statements for that year.

22. REPORTING OF FRAUDS BY THE AUDITORS:

During the year under review, the Statutory Auditors, the Internal Auditors and the Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees to the Audit Committee, Board and/or the Central Government under Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

23. INTERNAL AUDITOR:

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, M/s. Nexdigm Private Limited, Internal Auditor of the Company for the Financial Year 2025-2026, has tendered their resignation from H2 of F.Y. 2025-2026 and onwards.

The Board has appointed M/s. Sudit K. Parekh & Co. LLP Chartered Accountants, Firm registration Number: 110512W/W100378 as Internal Auditor of the Company for the half year (H2) of the Financial Year 2025-26. The Internal Auditors submit their reports to the Board for review and consideration. The Board of Directors at its meeting held on 23 April 2026 has approved the appointment of M/s Sudit K. Parekh & Co. LLP Chartered Accountants as the Internal Auditors of the Company for the Financial Year 2026-2027.

Based on these Internal Audit Reports, Management takes corrective actions in the respective areas to strengthen controls and enhance operational efficiency.

24. SECRETARIAL AUDIT REPORT:

In accordance with Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Mihen Halani and Associates, Practicing Company Secretary from Mumbai, was appointed to conduct the Secretarial audit for the Financial Year 2025-26 to 2029-20. The Secretarial Auditor reported no qualifications, reservations, adverse remarks or disclaimers in his report for the period under review. The Secretarial Audit Report given by M/s. Mihen Halani and Associates, Practicing Company Secretary is attached for reference as **Annexure-3**.

The Annual Secretarial Compliance Certificate duly signed by M/s. Mihen Halani and Associates, Company Secretaries has been submitted to the Stock Exchanges and is annexed at **Annexure-4** to this Board's Report.

25. DETAILS OF INTERNAL FINANCIAL CONTROLS:

a. Your Directors report that the Company has maintained internal controls that are appropriate for its size and the nature of its operations. Effective monitoring procedures are in place to ensure the accuracy and timeliness of Financial Reporting and compliance with statutory requirements. Comprehensive policies, guidelines, and delegation of powers are established to ensure compliance throughout the Company.

b. To ensure accuracy in Financial Reporting, the Company has implemented various checks and balances, including periodic reconciliation of major accounts, thorough account reviews, balance confirmations, and a robust approval mechanism.

c. The Company has documented all major processes related to expenses, bank transactions, payments, statutory compliance, and period-end Financial Accounting. Continuous efforts are made to align these processes and controls with industry best practices.

A comprehensive overview of the Internal Control systems and adequacy is provided in the Management Discussion and Analysis Report.

26. MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:

There are no material changes and commitments between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report, which affect the Financial Position of the Company.

The Members of the Company, vide Special Resolution through Postal Ballot on 30 May 2026 approved:

1. The Payment of One-time Special Bonus to Mr. Gaurav Singh Kushwaha, Managing Director and Chairman of the Company.

2. To Approve increase in remuneration payable to Mr. Gaurav Singh Kushwaha, Managing Director and Chairman of the Company.

27. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY ANY REGULATORS/COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the Financial Year under report, no significant and material order was passed by the regulators or courts or tribunals which would have impacted the going concern and your Company operations in future.

28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not given any loan, guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

The Company made the investment, the details of the same are provided in the notes to Financial Statement of the Company, the same is in compliance with the provision of Section 186 of the Companies Act, 2013.

Details of Investment in Subsidiary and Associates have been disclosed in the Note No. 35 of the Standalone Financial Statements.

29. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All Related Party Transaction that were entered into during the year under Report were on arm's length basis and were in the ordinary course of time. During the year under review, your Company had not entered into Material Related Party Transactions. There were no materially significant related party transactions undertaken by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Person which might have a potential conflict with the interest of the Company at large.

Accordingly, the disclosure of Related Party Transaction as required under Section 134 (3) (h) of the Act in Form AOC-2 is not applicable to the Company for the F.Y. 2025-2026 and hence does not form part of this report.

Details of Related Party Transaction entered into by the Company, in terms of Ind AS-24 have also been disclosed in the Note No. 35 of the Standalone Financial Statements.

The Company's policy on Related Party Transactions as approved by the Board is hosted on Company's website and at the web link https://www.bluestone.com/under the tab "Investors Relations" --> Governance --> Policies."

https://kinclimg1.bluestone.com/static/ir/msf/files/gov/Related-Party-Transactions-Policy.pdf.

30. ANNUAL RETURN OF THE COMPANY:

Pursuant to section 134 (3) (a) and Section 92(3) of the Companies Act, 2013, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the Annual Return in Form MGT-7 of the Companies (Management and Administration) Rules, 2014 is placed on the website of the Company and can be accessed at the web-link https://www.bluestone.com/" under the tab "Investors Relations -> Audited Financials -> Annual Return

https://kinclimg1.bluestone.com/static/ir/ar/Annual-Return-FY2025-26.pdf

31. PARTICULARS OF REMUNERATION OF DIRECTORS/KMP/EMPLOYEES:

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

Median Remuneration of the employees of the company for the financial year is ₹ **6,21,702/-**

(Note: For median salary disclosure, the post-retirement benefits and salary of employees who joined or existed during the financial year have not been considered in the reported figures):

Sr. No.	Name of the Director/KMP	Designation	% increase in Remuneration in the Financial Year 2025-26	Ratio of Remuneration of each Director to median remuneration of employees for the Financial Year 2025-26
1	Mr. Gaurav Singh Kushwaha	Chairman and Managing Director	NIL	54:1
2	Mr. Sameer Dileep Nath	Non- Executive Director	NIL	N.A.
3	Mr. Prashanth Prakash	Non- Executive Director	NIL	N.A.
4	Mr. Rohit Bhasin	Independent Director	NIL	6:1
5	Mr. Rajesh Kumar Dahiya	Independent Director	NIL	6:1
6	Ms. Neha	Independent Director	NIL	6:1
7	Mr. Rumit Dugar	Chief Financial Officer	18*	27:1
8	Mr. Paras Shah	Company Secretary	NIL	5:1

*The Board of Directors, at its meeting, approved a revision of 50% in the remuneration of Mr. Rumit Dugar, Chief Financial Officer (CFO), with effect from 1 October 2025. Since the revised remuneration became effective from the second half of the Financial Year 2025-26, the increase in remuneration, calculated based on the actual remuneration paid during the year, amounts to 18%. The full-year impact of the approved revision in remuneration shall be reflected in the Financial Year 2026-27.

ii) The percentage increase/(decrease) in the median remuneration of employees in the Financial Year ending 31st March, 2026: 11%.

iii) The Number of permanent employees on the rolls of the Company: 2576.

Number of employees as on the closure of the Financial Year i.e. 31st March 2026 (Male, Female, Transgender):

Male: 1585; Female: 991; Transgender: NIL

iv) Average percentage increase/(decrease) already made in the salaries of employees other than the Key Managerial Personnel was in the last Financial Year and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Aggregate remuneration of employees excluding KMP increase by 14%. Change in the remuneration of the KMP increase by 18% excluding perquisites from Employee Stock Option Scheme.

(Note 1- The Board of Directors, at its meeting, approved a revision of 50% in the remuneration of Mr. Rumit Dugar, Chief Financial Officer (CFO), with effect from 1st October, 2025. Since the revised remuneration became effective from the second half of the Financial Year 2025-26, the increase in remuneration, calculated based on the actual remuneration paid during the year, amounts to 18%. The full-year impact of the approved revision in remuneration shall be reflected in the Financial Year 2026-27).

v) Affirmation that the remuneration is as per the remuneration policy of the Company: Yes, Employees increment in remuneration is based on the individual performance and the Company performance for the Financial Year.

The Managing Director of the Company was not in receipt of any commission from the Company and at the same time same, remuneration or commission from the Company's Subsidiary Company.

Information as per Rule 5(2) of the Chapter XIII, of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

There are 9 (nine) employees who were in receipt of remuneration of not less than ₹ 1,02,00,000 (Rupees One Crore and Two Lakh Only), if employed for the full year and employee who was in receipt of remuneration of not less than ₹ 8,50,000 (Rupees Eight Lakh and Fifty Thousand Only) per month if employed for part of the year. Further, details of employee remuneration as required under provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the aforesaid Rules is available for inspection at the Registered Office of your Company during working hours As per second proviso to Section 136(1) of the Act and second proviso of Rule 5 of the aforesaid Rules, the Annual Report has been sent to the Members excluding the aforesaid exhibit. Any Member interested in obtaining copy of such information may write to the Company Secretary at secretarial@bluestone.com

32. SHAREHOLDING OF THE DIRECTORS OF THE COMPANY AS ON 31ST MARCH 2026

For detail of shareholding of the Directors, refer to the Para No. II – Board of Directors in the Corporate Governance Report annexed to this Report as **Annexure-5**.

Except as mentioned in the "Corporate Governance Report", none of the other Directors hold any shares or convertible securities in the Company.

33. CORPORATE GOVERNANCE CERTIFICATE.

The Compliance Certificate obtained from M/s. Mihen Halani and Associates, Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Chapter V read with relevant Schedule to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with this Report.

34. MAINTANANCE OF COST RECORDS:

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. Consequently, this requirement of maintaining such accounts and records this section is not applicable to the Company.

35. DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") INITIATIVES:

During the period under review, the Company meet the criteria as specified under Section 135 of the Companies Act, 2013 and the relevant rules made thereunder. However, since the Company has net loss, hence it was not required to spend the any amount on CSR activities as outlined in Schedule VII of the Companies Act, 2013.

Further, the Board of Directors at its meeting held on 23rd April 2026, enhance Board's oversight over ESG Matters, the Board of Directors expanded the scope of the "Corporate Social Responsibility ("CSR") to include the Environmental, Social and Governance ("ESG") matters and renamed the CSR Committee as "Environmental, Social and Governance ("ESG") and Corporate Social Responsibility.

Further, the Company has in place the CSR policy and Committee as required under the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibilities) Rules, 2014, the composition of the Committee is as follows:

1. Rajesh Dahiya, Independent Director (Chairperson);
2. Rohit Bhasin, Independent Director (Member); and
3. Prashanth Prakash, Non-Executive Director (Member).

The Policy is also available on the website of the Company at the weblink: "https://www.bluestone.com/investor-relations.html#governance" under the tab. "Governance -> Policies" https://kinclimg1.bluestone.com/static/ir/plcs/BlueStone_CSR_Policy.pdf

The Annual Report on CSR containing particulars specified in Rule 8 of Companies (Corporate Social Responsibility Policy CSR Policy) Rules, 2014 including initiatives taken by the Company during the year is given in **Annexure-6** of this report.

36. DETAILS OF THE APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 AND STATUS OF APPLICATION FILED AT YEAR END:

During the year under review, details of application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 as on 31st March 2026 is Nil.

37. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF VALUATION DONE AT THE TIME OF ONETIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS OR FINANCIAL INSTITUTION:

During the year under review, the Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

38. CREDIT RATING OF SECURITIES:

Your Company did not obtain any credit ratings for its securities during the year. Consequently, this clause is not applicable to the Company.

39. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 AND INTERNAL COMPLAINT COMMITTEE:

The Company has implemented a sexual harassment policy in accordance with the Sexual Harassment of Women at the Workplace (Prevention, Prohibition, and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been established to address any complaints related to sexual harassment, and the policy covers all employees, including permanent, contractual, temporary, and trainees. The ICC comprises of internal as well external members.

The summary of sexual harassment complaints for the period under review is as follows:

a. number of complaints pending as on 1st April 2025 - NIL

b. number of complaints filed during the F.Y. 2025-26 - 3

c. number of complaints disposed of during the F.Y. 2025-26 - 3

d. number of complaints pending as on 31st March 2026 - NIL

e. number of cases pending for more than ninety days - NIL

The Company remains committed to ensuring a safe and respectful workplace environment, and continues to take necessary steps to strengthen awareness, training, and redressal mechanisms under the POSH framework.

40. COMPLIANCE OF THE MATERNITY BENEFIT ACT, 1961:

The Company is fully compliance with the provisions relating to the Maternity Benefit Act 1961.

41. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT-GOINGS:

(A) Conservation of Energy

Steps taken/impact on conservation of energy,	• **Variable Frequency Drives (VFDs)** have been installed in key utilities including the water-cooled chiller plant, primary & secondary pumps, and air compressors, enabling energy optimization based on load conditions. • **Energy monitoring systems** have been installed across the plant, and daily energy and water consumption dashboards are tracked to identify abnormalities and improve efficiency. • **LED lighting** has been implemented across 100% of the factory areas, contributing to a significant reduction in overall energy consumption. **Impact:** • Improved energy efficiency through optimized equipment operation and monitoring. • Reduction in energy wastage through controlled operations and maintenance practices.
(i) Steps taken by the company for utilizing alternate sources of energy including waste generated	• The Company has installed a **140 kW rooftop solar power plant** at its Surat manufacturing unit, generating approximately **187 MWh annually**, contributing to around **31% of the unit's total energy consumption.** • A **500 kW rooftop solar project** is under implementation at the Jaipur facility, expected to generate approximately **730 MWh annually**, covering around **40% of the plant's energy requirement.** • In line with our sustainability focus, we are in the process of assessing opportunities for procurement of **green power**, with a focus on increasing the share of renewable energy in our operations. • Both the Jaipur and Surat manufacturing facilities are equipped with **rainwater harvesting systems**, enabling capture and reuse of rainwater. This contributes to groundwater replenishment and supports sustainable water management across our operations. • Our Jaipur facility is equipped with an advanced **Johkasou Sewage Treatment Plant** (Japanese technology), which treats domestic wastewater effectively, enabling its reuse in Cooling Towers, Flushing & Landscaping.

(A) Conservation of Energy (Contd.)

(ii) Capital investment on energy conservation equipment	• We have invested approximately **₹41.30 lakhs** towards installation of a **140 kW rooftop solar power plant** at our Surat manufacturing unit. • A capital investment of approximately **₹125.00 lakhs** is being undertaken towards a **500 kW rooftop solar project** at our Jaipur facility, which is currently under implementation. • In addition to renewable energy initiatives, investments have been undertaken in **energy-efficient technologies,** including installation of **VFDs in the chiller plant, pumps, and air compressors**, along with other utility and process improvements aimed at enhancing overall energy efficiency.
Total energy consumption and energy consumption per unit of production as per Form A	• Total energy consumption across all three manufacturing units for F.Y. 2025–26 - **28,63,546 units**. • Energy consumption per unit of production - **1.33 units/gm**.

(B) Technology Absorption and Research and Development

Efforts in brief, made towards technology absorption, adaptation and innovation	1. The Company has successfully adopted **high-precision Laser Cutting technology**, enabling the fabrication of metal plates with thicknesses as low as **0.1mm**. This capability allows for the creation of intricate, ultra-lightweight jewelry designs that surpass the limitations of traditional casting methods. 2. In a drive toward operational excellence, we are currently developing a **Generative AI-driven job allocation system**. This innovation aims to automate workflow distribution across departments to optimize human capital and enhance responsiveness. 3. To enhance product longevity, we have commissioned a specialized **Strength Testing** machine to ensure durability testing of our products. 4. An **Annealing Belt Furnace** has been introduced in our coin and chain manufacturing lines, which improves the metal's resistance to tarnishing across diverse environmental conditions. 5. We have implemented a closed-loop **IPA (Iso-Propyl Alcohol) recycling system** using specialized solvent recovery machinery. This allows for the reclamation and reuse of IPA used in support material cleaning of direct-casted wax pieces, significantly reducing fresh IPA cost by **12.5 lpa**. 6. The Company has transitioned from external sourcing to in-house production for **Lobster Locks** and integrated **Stamping and CNC** processes. These adaptations allow for the high-volume production of lightweight components with superior consistency.

(B) Technology Absorption and Research and Development (Contd.)

	7. As part of our effort to reduce plastic waste, we moved away from issuing physical PVC product certificates in **F.Y. 2024-25**. Instead, we now provide digital certificate links embedded directly in customer invoices. For **F.Y. 2025-26**, this digital solution was applied to over **13,43,067** units, saving approximately **6715 kg** of PVC material — a step forward for both sustainability and customer convenience. 8. The Company has fully transitioned to **e-invoicing across its entire retail network**. This initiative digitizes the point-of-sale experience and eliminates the need for physical paper records in routine transactions.
Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.	1. **Product Development & Innovation:** The adoption of laser cutting and CNC technology has expanded our design horizons, allowing for the successful launch of **high-definition, lightweight jewelry** collections that meet modern consumer preferences for "small ticket" and wearable luxury. 2. **Cost Optimization & Import Substitution:** By internalizing the manufacturing of lobster locks and components through stamping processes, the Company has **reduced dependency on external vendors** and mitigated supply chain risks. The IPA recycling initiative has further contributed to significant direct material cost savings of **₹12.5 lpa**. 3. **Environmental Stewardship & Sustainability:** Our transition to digital certification has resulted in the elimination of approximately **6715 kg of PVC material** (covering over 13,43,067 units), while e-invoicing has drastically reduced the Company's paper footprint, aligning our operations with global ESG standards. 4. **Enhanced Product Quality:** The integration of the annealing belt furnace and strength testing protocols has led to a measurable **improvement in product durability** and a reduction in atmospheric tarnishing, directly enhancing customer satisfaction and brand trust.
In case of imported technology (imported during the last 5 years reckoned from the beginning of the Financial Year), following information may be furnished:	NA
Details of Technology imported	NA
Year of Import	NA
Whether the technology been fully absorbed	NA
If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	NA
Expenditure incurred on Research and Development	NA

(C) Foreign Exchange Earnings and Outgo:

There were no foreign earnings during the period under review; however, the foreign expenditure for the period amounted to ₹ 49.40 millions.

42. FAMILIARISATION PROGRAMMES:

The Directors of the Company are provided opportunities to familiarize themselves with the Company, its Management and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations and the industry in which it operates.

The roles and responsibilities of the Independent Directors of the Company are informed to them at the time of their appointment through a formal letter of appointment.

Presentations are made to the Board, where Directors get an opportunity to interact with Senior Management. Directors are also informed of the various developments in the Company.

The Company has a defined policy on the Familiarization Programme for Directors, aimed at ensuring continuous awareness and engagement. Pursuant to Regulation 25(7) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company organized various familiarization programs for its Directors including Industry Outlook, Business Updates, Prevention of Insider Trading Regulations, Discussion on Controls and Risk Management, Meeting with Senior Executive(s) of your Company etc. The Board is regularly apprised of any amendments, regulatory changes, or emerging market trends, irrespective of the sectoral relevance. In addition, all strategic and operational communications relevant to the Company are appropriately shared with the Independent Director

The Company's policy on Familiarization Programmes for Independent Directors as approved by the Board is hosted on Company's website and at the web link https://www.bluestone.com/under the tab "Investors Relations" --> Governance --> Policies."

https://kinclimg1.bluestone.com/static/ir/msf/files/gov/Policy-on-Familiarisation-Programmes-for-Independent-Directors.pdf

During the reporting year, on a cumulative basis, the independent Directors spent ~4 hours on several familiarization program.

43. CODE OF CONDUCT BY DIRECTORS, MANAGEMENT AND SENIOR EMPLOYEES:

Your Company has adopted Code of Conduct for the Directors and Senior Management of the Company ("**Code of Conduct**") to provide clear guidance on principles such as integrity, transparency, business ethics and to set up standards for compliance of Corporate Governance.

A copy of the Code of Conduct has been put for information of all the members of the Board and Management Personnel on the website of the Company hosted on Company's website and at the web link https://www.bluestone.com/under the tab "Investors Relations" --> Governance --> Policies."

https://kinclimg1.bluestone.com/static/ir/plcs/BlueStone_Code_of_Conduct_with_respect_to_obligations_of_directors_and_SMP.pdf

All members of the Board of Directors and Senior management personnel had affirmed compliance with the Code of Conduct and a declaration to this effect signed by the Managing Director forms part of this report.

All the members of the Board and the Senior Management Personnel have affirmed compliance with the same.

A declaration signed by the Managing Director of the Company is given below:

I hereby confirm that the Company has obtained from all the members of the Board and the Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the F.Y. 2025-26.

Sd/-
Mr. Gaurav Singh Kushwaha
Managing Director
DIN: 01674879

The Company has in place the system to trace the movement of Unpublished Price Sensitive Information and regular awareness is created for the Directors, Promoters, Key Managerial Personnel and designated employees/persons.

44. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Board of Directors affirms that the Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Companies Secretaries of India and that such systems are adequate and operating effectively. The Company has complied to all applicable the Secretarial Standards.

45. GENERAL DISCLOSURE:

During the year the following events has taken place:

- The Company Corporate Identification Number (CIN) has been changed from U72900KA2011PTC059678 to L72900KA2011PLC059678;
- The Company has amended its Employee Stock Option Plan, 2014 and increased the ESOP pool from 74,84,330 (Seventy-Four Lakh Eighty-Four Thousand Three hundred and Thirty) ESOPs to 1,17,27,642 (One Crore Seventeen Lakh Twenty- Seven Thousand Six Hundred and Forty-Two) ESOPs vide special resolution passed at Extra Ordinary General Meeting of the members held on May 02, 2025 ("the EOGM");
- Pursuant to the terms of conversion, the Company has converted 3,54,74,930 Compulsorily Convertible Preference Shares into 10,02,24,637 Equity Shares of Re. 1/- each fully paid-up;
- The Company has made an investment into Ethereal House Private Limited, Subsidiary of the Company, by acquiring 92,172 (Ninety Two Thousand One Hundred and Seventy Two) Compulsorily Convertible Preference Shares at the price of ₹ 2,734/- per share (Indian Rupees Two Thousand Seven Hundred and Thirty-Four) aggregating to ₹ 25,19,98,248/- (Indian Rupees Twenty-Five Crore Nineteen Lakh Ninety-Eight Thousand Two Hundred Forty-Eight);
- The Company has reclassified the authorized share capital to ₹ 45,05,00,000/- (Indian Rupees Forty-Five Crores Five Lacs only) divided into 45,05,00,000 (Forty- Five Crores Five Lacs) Equity Shares of Re. 1/- (Rupee One only) vide ordinary resolution passed at an Annual general Meeting of the Company held on 29th September 2025;
- The Company has approved ratification of the BlueStone Jewellery and Lifestyle Limited - Employee Stock Option Plan 2014 vide special resolution passed through postal ballot on 25th January 2026;
- The Company has made an investment in to Redefine Fashion Private Limited, Associates of the Company, by acquiring 21,052 (Twenty One Thousand Fifty Two) Compulsorily Convertible Preference shares designated as 'CCPS – Seed 5' of face value of ₹ 10 each at a premium of ₹ 1415.00 (Indian Rupees One Thousand Four Hundred Fifteen Only) per share aggregating to ₹ 2,99,99,100/- (Indian Rupees Twenty-Five Crore Nineteen Lakh Ninety-Eight Thousand Two Hundred Forty-Eight);
- During the year under report, Company has not made any provision of money for the purchase of, or subscription for, shares in the Company or its Holding Company, to be held by or for the benefits of the employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 are not applicable;
- During the year under report, there was no change in the general nature of business of your Company.

All the policies are reviewed by the Board on an annual basis and changes are made wherever required as per the applicable provisions of the laws, business requirements, uphold the governance standards.

46. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

The Business Responsibility and Sustainability Report (BRSR) outlines a company's environmental, social, and governance initiatives and practices. It aims to provide transparency on how businesses operate responsibly and contribute to sustainable development. As per Regulation 34(2)(f) of the SEBI Listing Regulations, the BRSR framework is applicable to the top 1,000 listed entities by market capitalization. As per the market capitalization list published for the period 1st July 2024 to 31st December 2024, the Company does not fall within the top 1000 listed entities. Accordingly, the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pertaining to the Business Responsibility and Sustainability Report, are not applicable.

As per the market capitalization list published for the period 1st July 2025 to 31st December 2025, the Company fall within the top 1000 listed entities. Accordingly, the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pertaining to the Business Responsibility and Sustainability Report, are applicable from the Financial Year 2026-2027.

47. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report on the operations of the Company, is provided in a separate section and forms integral part of the Annual Report.

48. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board submits the following responsibility statement:

(a) The annual accounts have been prepared in compliance with the applicable accounting standards, with appropriate explanations provided for any material departures;

(b) The Directors have selected and consistently applied accounting policies and made reasonable and prudent judgments and estimates, ensuring a true and fair view of the Company's state of affairs at the end of the Financial Year and of its profit and loss of the Company for that period;

(c) The Directors have taken proper and sufficient care for the for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The annual accounts have been prepared by the Directors on a going concern basis;

(e) Being a Listed Company, the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

49. ACKNOWLEDGEMENT:

Your Directors wish to express their sincere gratitude for the assistance and cooperation received from Franchisees & Business Associates, Banks and Financing Agencies, Customers, and Supplier.

They also extend their deep appreciation for the dedicated services of the executives, staff, and other employees of the Company. Additionally, your Directors thank the shareholders for their continued confidence and support.

For and on behalf of the Board of Directors of
BlueStone Jewellery and Lifestyle Limited
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)

Sd/-	Sd/-
Sameer Dilip Nath	**Gaurav Singh Kushwaha**
Director	Managing Director
DIN:07551506	DIN:01674879
Place: Mumbai	**Place:** Mumbai
Date: 14th August, 2026	**Date:** 14th August, 2026

The Directors' Report, the Corporate Governance Report, the Financial Statements and the Annexures, Schedules thereto should be read in conjunction. For ease of reading related matters together and avoiding repetition, certain disclosures have been clubbed together and disclosed at one place instead of disclosing the same at different place/s

Annexure - 1

DIVIDEND DISTRIBUTION POLICY

PURPOSE:

In compliance with the provisions of the Companies Act, 2013 and rules made thereunder (the **"Act"**) and Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the **"Listing Regulations"**), as amended from time to time, this Policy provides guidance for declaration of dividend and its pay-out by the Company.

The Board of Directors (the **"Board"**) will consider the Policy while recommending dividend on behalf of BlueStone Jewellery and Lifestyle Limited (**"the Company"**).

CONCEPT OF DIVIDEND:

Dividend is the share of the profit that a Company decides to distribute among its shareholders. The Company strongly believes that dividend pay-out is vital for its shareholders. However, before the pay-out is recommended, it is crucial for the Board to consider all the factors, which would be in the best interest of the shareholders.

TYPES OF DIVIDEND:

The Act deals with two types of dividend - Interim and Final.

Interim dividend is the dividend declared by the Board between two Annual General Meetings as and when considered appropriate. The Board shall have the absolute power to declare interim dividend during the Financial Year, as and when deemed fit. The Act authorises the Board to declare interim dividend during any Financial Year out of the profits for the Financial Year in which the dividend is sought to be declared and/or out of the surplus in the profit and loss account.

Normally, the Board could consider declaring an interim dividend after finalization of quarterly (or half yearly) Financial Statements.

Final dividend is recommended for the Financial Year at the time of approval of the Annual Financial Statements. The Board shall have the power to recommend final dividend to the shareholders for their approval at the Annual General Meeting of the Company.

DECLARATION OF DIVIDEND:

Subject to the provisions of the Act, dividend shall be declared and paid out of:

a) out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of sub-section (2) of the Act, or;

b) out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with the provisions of that sub-section and remaining undistributed; or

c) Out of a) and b) both.

Before declaration of dividend, the Company may transfer a portion of its profits to reserves of the Company as may be considered appropriate by the Board at its discretion.

In the event of inadequacy or absence of profits in any Financial Year, a Company may declare dividend out of free reserves subject to the compliance with the Act.

FACTORS GOVERNING DECLARATION OF DIVIDEND:

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. The circumstances for dividend pay-out decision depends on various external and internal factors.

External Factors:

- **Economic Scenario** - The Board shall endeavour to retain a larger portion of profits to build up reserves, in case of adverse economic scenario.
- **Competitive/Market Scenario** - The Board shall evaluate the market trends in terms of technological changes mandating investments, competition impacting profits, etc., which may require the Company to conserve resources.
- **Regulatory restrictions/Obligations** - In order to ensure compliance with the applicable laws,

the Board shall consider the restrictions, if any, imposed by the Act and other applicable laws with regard to declaration of dividend.

- o Statutory obligations under the Companies Act, 2013 to transfer a certain portion of profits to any specific reserves may impact the decision with regard to dividend declaration.

- o Dividend distribution tax or any tax deduction at source as required by tax regulations in India, applicable at the time of declaration of dividend may impact the decision with regard to dividend declaration.

- **Agreements with lenders** - The decision of dividend pay-out may also be affected by the restrictions and covenants contained in the agreements entered into with the lenders or Debenture Trustees of the Company from time to time and as the case may be.

- **Other factors** - Other factors beyond control of the management of the Company like natural calamities, fire, etc. effecting operations of the Company may impact the decision with regard to dividend declaration.

Internal Factors:

- Profitability;
- Availability and liquidity of funds;
- Capital expenditure needed for the existing businesses;
- Mergers and acquisitions;
- Expansion/modernization of the business;
- Additional investments in Subsidiaries of the Company;
- Cost of raising funds from alternate sources;
- Cost of servicing outstanding debts;
- Funds for meeting contingent liabilities;
- Any other factor as deemed appropriate by the Board.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND:

The Board of Directors of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including the provisions of the Companies Act, 2013 and Listing Regulations. The Board of Directors, while determining the dividend to be declared or recommended, shall take into consideration the advice of the management of the Company and the planned and further investments for growth apart from other parameters set out in this Policy. The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND:

The Board of Directors of the Company shall consider the following financial/internal/external parameters while declaring or recommending dividend to shareholders:

- Profits earned during the Financial Year;
- Retained Earnings;
- Earnings outlook for next three to five years;
- Expected future capital/liquidity requirements;
- Any other relevant factors and material events;

- Macro-economic environment – Significant changes in Macroeconomic environment materially affecting the businesses in which the Company is engaged in the geographies in which the Company operates;

- Regulatory changes – Introduction of new regulatory requirements or material changes in existing taxation or regulatory requirements, which significantly affect the businesses in which the Company is engaged;

- Technological changes which necessitate significant new investments in any of the businesses in which the Company is engaged.

UTILISATION OF RETAINED EARNINGS:

Subject to the provisions of the Act and other applicable laws, retained earnings may be utilised as under:

- Issue of fully paid-up bonus shares;
- Declaration of dividend - Interim or Final;
- Augmenting internal resources;
- Funding for capital expenditure/expansion plans/acquisition;
- Repayment of debt;
- Any other permitted use as may be decided by the Board.

PARAMETERS FOR VARIOUS CLASSES OF SHARES:

The Company has issued only one class of shares viz. Equity Shares. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

DISCLOSURE:

This dividend distribution policy shall be disclosed in the Annual Report of the Company and on the Company's website https://www.bluestone.com/investor-relations.html#governance.

If the Company proposes to declare dividend on the basis of any additional parameters apart from those mentioned in the policy or proposes to change the parameters contained in this Policy, it shall disclose such changes along with the rationale for the same in the Annual Report and on the website.

REVIEW/AMENDMENT:

The Board may amend, abrogate, modify or revise any or all provisions of this Policy. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this Policy.

Annexure – 2

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/ Joint Ventures

PART "A": SUBSIDIARIES:

(Information in respect of each subsidiary to be presented amount in Rs)

(Amount in Rupees)

Sl. No.	Particulars		Details
1.	CIN/any other registration number of Subsidiary Company		U32111HR2024PTC124350
2.	Name of the subsidiary		Ethereal House Private Limited
3.	The date since when Subsidiary was acquired		Shareholders agreement dated 06 January 2025 **Closing Date/Allotment of Shares:** Shares were allotted on 13th January 2025
4.	Provisions pursuant to which the Company has become a Subsidiary Section 2(87)(i)/Section 2(87)(ii))		Section 2(87) (ii)
5.	Reporting period for the Subsidiary concerned, if different from the holding company's reporting period	From	01 April, 2025
6.		To	31 March, 2026
7.	Reporting Currency and Exchange rate as on the last date of the relevant Financial Year in the case of Foreign Subsidiaries	Reporting Currency	Not Applicable
8.		Exchange Rate	
9.	Share Capital		Authorised Capital: INR 30,00,000/- Paid up Capital: INR 17,38,390/-
10.	Reserves & surplus		34,40,40,000
11.	Total assets		62,28,80,000
12.	Total Liabilities		27,71,00,000
13.	Investments		Nil
14.	Turnover		6,31,40,000
15.	Loss before taxation		6,77,10,000
16.	Provision for taxation		Nil
17.	Loss after taxation		6,77,10,000
18.	Proposed Dividend		Nil
19.	Extent of shareholding (in percentage)		75.51% on diluted basis (without considering ESOP Pool)

Notes: The following information shall be furnished at the end of the statement:

1. Names of Subsidiaries which are yet to commence operations: Nil

SL.No.	CIN/any other registration number	Names of Associates or Joint Ventures which are yet to commence operations
1	NIL	NIL

2. Names of Subsidiaries which have been liquidated or sold during the year: Nil

SL.No.	CIN/any other registration number	Names of Associates or Joint Ventures which are yet to commence operations
1	NIL	NIL

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

(Amount in Rupees)

Name of Associates/Joint Ventures		Redefine Fashion Private Limited
1.	Latest audited Balance Sheet Date	March 31, 2026
2.	Date on which the Associate was associated or acquired	Shareholders agreement dated 11 November, 2024 Closing Date/Allotment of Shares Shares were allotted on 15 November, 2024
3.	Date on which the Associate or Joint Venture was associated or acquired	11 November 2024
4.	Shares of Associate/~~Joint Ventures~~ held by the Company on the year end	
	A. No. of shares held by the Company	100 Equity Shares; 1,57,070 CCPS - Seed 1 and 13,456 CCPS - Seed 1A
	B. Amount of Investment in Associates/~~Joint Venture~~	₹ 10,49,99,827.88/-
	C. Extent of Holding (in percentage)	49.12% on diluted basis (without considering ESOP Pool)
5.	Description of how there is significant influence	Not applicable
6.	Reason why the Associate/Joint Venture is not consolidated	Not applicable
7.	Net worth attributable to shareholding as per latest Audited Balance Sheet	
8.	Loss for the year	
	i. Considered in Consolidation	5,55,20,000
	ii. Not Considered in Consolidation	5,29,20,000

1. Names of Associates or Joint Ventures which are yet to commence operations: Nil

SL.No.	CIN/any other registration number	Names of subsidiaries which are yet to commence operations
1	NIL	NIL

2. Names of Associates or Joint Ventures which have been liquidated or sold during the year: Nil

SL.No.	CIN/any other registration number	Names of subsidiaries which are yet to commence operations
1	NIL	NIL

For and on behalf of the Board of Directors of
BlueStone Jewellery and Lifestyle Limited
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)

Sd/-
Sameer Dilip Nath
Director
DIN:07551506

Sd/-
Gaurav Singh Kushwaha
Managing Director
DIN:01674879

Place: Mumbai
Date: 14th August 2026

Place: Mumbai
Date: 14th August 2026

Annexure – 3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2026

[Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

BLUESTONE JEWELLERY AND LIFESTYLE LIMITED

(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)

CIN: L72900KA2011PLC059678

Site No. 89/2, Lava Kusha Arcade Munnekolal Village,

Outer Ring Road, Marathahalli, Bangalore – 560 037, Karnataka, India.

BSE Scrip Code: 544484/NSE Symbol: BLUESTONE/ISIN: INE304W01038

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BlueStone Jewellery and Lifestyle Limited ("the Company")**. Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March 2026, **(the "Audit Period")** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the Financial Year ended on 31st March 2026 according to the provisions of:

i. The Companies Act, 2013 ("the Act") and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;

iii. The Depositories Act, 2018 and the Regulations and Byelaws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **(Overseas Direct Investment and External Commercial Borrowings - Not applicable to the Company during the Audit period);**

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act");

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

g) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable to the Company during the Audit Period, and**

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company during the Audit Period;**

vi. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other various applicable Acts, Laws, Rules and Regulations to the Company.

We have also examined compliance with the applicable clauses of the following:

(i) The Secretarial Standards issued by The Institute of Company Secretaries of India ("ICSI");

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

To the best of our knowledge and belief, during the Audit Period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

a) During the Audit Period, the Board of Directors of the Company was duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Committee of the Board is duly constituted. Further, no changes took place in the composition of the Board of Directors of the Company.

b) Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, the agenda and notes on agenda were sent at least seven days in advance or with due consents for shorter notice from the Directors and an adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) All decisions at Board Meetings and Committee Meetings are carried out unanimously/with requisite majority, as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. Further, the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the following event/action has taken place having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc. referred to above;

- The Company has issued and allotted 800 (Eight Hundred) Unlisted, Secured, Redeemable and Non-convertible Debentures having face value of ₹ 5,00,000/- each aggregating to ₹ . 40,00,00,000/- (Indian Rupees Forty Crores Only) on private placement basis in compliance with the applicable provisions of the Companies Act, 2013 read with rules made thereunder;

- The Company has amended its Employee Stock Option Plan, 2014 and increased the ESOP pool from 74,84,330 (Seventy-Four Lakh Eighty-Four Thousand Three hundred and Thirty) ESOPs to 1,17,27,642 (One Crore Seventeen Lakh Twenty- Seven Thousand Six Hundred and Forty-Two) ESOPs vide special resolution passed at Extra Ordinary General Meeting of the members held on 2nd May 2025 ("the EOGM");

- On recommendation of the Nomination and Remuneration Committee, the Company, under the BlueStone Jewellery and Lifestyle – Employee Stock Option Plan, 2014, has granted 16,02,557 (Sixteen Lakh Two Thousand Five Hundred and Fifty-Seven) ESOPs to Mr. Sudeep Nagar, the Chief Operating Officer of the Company representing 1.10% (one point one zero percent) of the fully diluted share capital of the Company vide special resolution passed at the EOGM;

- The Company has obtained approval of its members vide special resolution passed at the EOGM in accordance with the provisions of Section 180(1)(a) and Section 180(1)(c) of the Companies Act, 2013, for increasing the borrowing limits of the Company beyond the aggregate of its paid-up share capital, free reserves and securities premium and authorizing the Board of Directors to create charges/mortgages on the assets of the Company in respect of such borrowings;

- Pursuant to the terms of conversion, the Company has converted 3,54,74,930 Compulsorily Convertible Preference Shares into 10,02,24,637 Equity shares of Re. 1/- each fully paid-up;

- The Company has successfully completed its Initial Public Offer (IPO) and consequent to the same, its Equity Shares were listed and admitted to dealings on the main board of BSE Limited and National Stock Exchange of India Limited w.e.f. 19th August 2025;

- The Company has made an investment into Ethereal House Private Limited, Subsidiary of the Company, by acquiring 92,172 (Ninety Two Thousand One Hundred and Seventy Two) Compulsorily Convertible Preference Shares at the price of ₹ 2,734/- per share (Indian Rupees Two Thousand Seven Hundred and Thirty-Four) aggregating to ₹ 25,19,98,248/- (Indian Rupees Twenty-Five Crore Nineteen Lakh Ninety-Eight Thousand Two Hundred Forty-Eight);

- During the year under review, the Company has allotted 9,10,993 (Nine Lakh ten Thousand Nine Hundred and Ninety-Three) Equity Shares of Re. 1/- each fully paid up to eligible employees, upon exercise of vested options under the BlueStone Jewellery and Lifestyle Limited – Employee Stock Option Plan 2014;

- The Company has reclassified the authorized share capital to ₹ 45,05,00,000/- (Indian Rupees Forty-Five Crores Five Lacs only) divided into 45,05,00,000 (Forty- Five Crores Five Lacs) Equity shares of Re. 1/- (Rupee One only) vide ordinary resolution passed at an Annual general Meeting of the Company held on 29th September, 2025;

- The Company has approved ratification of the BlueStone Jewellery and Lifestyle Limited - Employee Stock Option Plan 2014 vide special resolution passed through postal ballot on 25th January 2026.

We further report that during the Audit Period, the Company has co-operated with us and have produced before us all the required forms information, clarifications, returns and other documents as required for the purpose of our audit.

For **MIHEN HALANI & ASSOCIATES**
Practicing Company Secretaries

Sd/-
Mihen Halani
(Proprietor)
CP No: 12015
FCS No: 9926

Date: 23.04.2026
Place: Mumbai
UDIN: F009926H000184628

Note: This report is to be read with our letter of even date which is annexed as **"Annexure A"** herewith and forms as integral part of this report.

ANNEXURE A

To,
The Members,
BLUESTONE JEWELLERY AND LIFESTYLE LIMITED
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)
CIN: L72900KA2011PLC059678
Site No. 89/2, Lava Kusha Arcade Munnekolal Village,
Outer Ring Road, Marathahalli, Bangalore – 560 037, Karnataka, India.
BSE Scrip Code: 544484/NSE Symbol: BLUESTONE/ISIN: INE304W01038

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices we follow to provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MIHEN HALANI & ASSOCIATES**
Practicing Company Secretaries

Sd/-
Mihen Halani
(Proprietor)
CP No: 12015
FCS No: 9926

Date: 23.04.2026
Place: Mumbai
UDIN: F009926H000184628

Annexure - 4

Annual Secretarial Compliance Report of BlueStone Jewellery and Lifestyle Limited for the year ended March 31, 2026

To,
The Board of Directors,
BLUESTONE JEWELLERY AND LIFESTYLE LIMITED
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)
CIN: L72900KA2011PLC059678
Site No. 89/2, Lava Kusha Arcade Munnekolal Village,
Outer Ring Road, Marathahalli, Bangalore – 560 037, Karnataka, India.
BSE Scrip Code: 544484/NSE Symbol: BLUESTONE/ISIN: INE304W01038

We, M/s. Mihen Halani & Associates have examined:

a) all the documents and records made available to us and explanation provided by **BlueStone Jewellery and Lifestyle Limited ("the listed entity")**;

b) the filings/submissions made by the listed entity to the stock exchanges;

c) website of the listed entity;

d) any other document/filing, as may be relevant, which has been relied upon to make this certification;

for the year ended March 31, 2026 ("**Review Period**") in respect of compliance with the provisions of:

a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not Applicable to the listed entity during the period under review;

g) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not Applicable to the listed entity during the period under review;

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not Applicable to the listed entity during the period under review, and

j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

and circulars/guidelines issued thereunder; and based on the above examination, we hereby report that, during the Review Period:

a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:

Sr. No	Compliance Requirement (Regulations/ Circulars/ guidelines/ including specific clause)	Regulations/ Circular No	Deviations	Action taken by	Type of action	Details of Violation	Fine Amount	Observations/ remarks of the Practicing Company Secretary	Management Response	Remarks
Not Applicable										

b) The listed entity has taken the following actions to comply with observations made in previous reports:

Sr. No	Observations/ Remarks of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Details of violation/ deviations and actions taken/ penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
Not Applicable						

c) we hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr. No	Particulars	Compliance Status (Yes/No/NA)	Observations/remarks by the Practicing Company Secretary
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	YES	NONE
2.	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities; • All the policies are in conformity with SEBI Regulations and has been reviewed & updated as per the regulations/circulars/guidelines issued by SEBI.	YES	NONE
3.	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website; • Timely dissemination of the documents/ information under a separate section on the website; • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/section of the website.	YES YES YES	NONE

c) we hereby report that, during the review period the compliance status of the listed entity with the following requirements: (Contd.)

Sr. No	Particulars	Compliance Status (Yes/No/NA)	Observations/remarks by the Practicing Company Secretary
4.	**Disqualification of Director:** None of the Director(s) of the listed entity is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	YES	NONE
5.	**Details related to Subsidiaries of listed entities:** (a) Identification of material subsidiary companies; (b) Requirements with respect to disclosure of material as well as other subsidiaries.	YES YES	NONE
6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	YES	NONE
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	YES	NONE
8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions; (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	YES YES	NONE
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 alongwith Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	YES	NONE
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	YES	NONE
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** No Actions has been taken against the listed entity/its promoters/directors/subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/guidelines issued thereunder.	NA	NONE

c) we hereby report that, during the review period the compliance status of the listed entity with the following requirements: (Contd.)

Sr. No	Particulars	Compliance Status (Yes/No/NA)	Observations/remarks by the Practicing Company Secretary
12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries** In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and/or its material subsidiary(ies) has/have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	No such event occurred during the reporting period. Hence, the same is not applicable
13.	**Additional non-compliances, if any:** No additional non-compliance observed for all SEBI regulation/circular/guidance note etc. except as reported above.	NA	NONE

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of the financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Note:

1. The Company has successfully completed its Initial Public Offer (IPO) and consequent to the same, its Equity Shares were listed and admitted to dealings on the main board of BSE Limited and National Stock Exchange of India Limited w.e.f. August 19, 2025;

For **MIHEN HALANI & ASSOCIATES**
Practicing Company Secretaries

Sd/-
Mihen Halani
(Proprietor)
CP No: 12015
FCS No: 9926

Date: 23.04.2026
Place: Mumbai
UDIN: F009926H000184584

Annexure – 5

CORPORATE GOVERNANCE REPORT

I. PHILOSOPHY ON CORPORATE GOVERNANCE:

Our Company's philosophy of Corporate Governance is built on a foundation of sound business ethics, fairness, and trust in dealing with all stakeholders.

The Board of Directors believes that Corporate Governance is the bedrock for fostering a state-of-the-art and future ready organisation delivering extra-ordinary and sustainable growth, safeguarding stakeholder interests, and fostering long-term trust.

The Board of Directors charter plays a pivotal role in energizing and driving the organisation forward to an exciting and promising future. The values of standing for each other's success, creative zeal, scientific rigour, audacity, integrity, and customer passion combined with the commitment to sustainability and safety ensures that the employees, and thus the organisation, at all times stays focused on creating value and joy for all its stakeholders.

Our governance framework emphasizes the importance of an independent and effective Board, responsible management, and open communication with shareholders and other stakeholders. Through continuous evaluation and improvement, we strive to maintain a governance structure that supports responsible business practices and long-term value creation.

The Board of Directors views Corporate Governance not as a fixed destination, but as an ongoing journey an upward-moving target that requires continual effort and improvement. Our commitment to the highest standards of governance is reflected in the multiple initiatives and practices detailed in this Report, all aimed at driving sustainable value creation for our stakeholders.

The Board of Directors of the Company acts as a trustee and assumes fiduciary responsibility of protecting the interests of the Company, its members and other stakeholders. The Board supports the broad principles of Corporate Governance. In order to attain the highest-level of good Corporate Governance practice, the Board lays strong emphasis on transparency, accountability and integrity.

II. BOARD OF DIRECTORS:

The composition of the Board of your Company is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the Board of Directors is aligned with the requirements of the Listing Regulations. A majority of the Board members are Non-Executive Directors which includes a Woman Director as required under the Listing Regulations. Considering that the Chairman of your Company is Mr. Gaurav Singh Kushwaha, a Promoter, at least half of the Board members comprises of Independent Directors.

The Company's Board comprises of the required blend of Independent and Non-Independent Directors with considerable experience in diverse fields such as accounts, audit, business strategy, finance, general management etc. Further, the Board has mix of Executive and Non-Executive Directors.

None of the Directors is a Director (including any alternate directorships) in more than 10 Public Limited Companies (as specified in section 165 of the Act) and Director in more than 7 Equity Listed Entities or acts as an Independent Director in more than 7 Equity Listed Entities or 3 Equity Listed Entities in case he/she serves as a Whole-time Director/Managing Director in any Listed Entity (as specified in Regulation 17A of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian Public Limited Companies in which he/she is a Director.

The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 149(6) of the Companies Act, 2013. The Independent Directors provide an annual confirmation that they meet the criteria of Independence. Based on the confirmations/disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfill the conditions specified in the Listing Regulations and are Independent of the Management. Further, there is no relationship between the Directors' inter-se among themselves.

The Senior Management of your Company have made disclosures to the Board confirming that there are no Material Financial and Commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

The Board of the Company comprises of an optimum combination of Executive, Non-Executive and Independent Directors. The Board of Directors of your Company as on 31st March 2026 comprised of following Directors:

Sr. No.	Name of Directors	DIN	Designation/Category
1.	Mr. Prashanth Prakash	00041560	Non-Executive Director
2.	Mr. Gaurav Singh Kushwaha	01674879	Promoter, Chairman and Managing Director
3.	Mr. Sameer Dileep Nath	07551506	Non-Executive Director
4.	Mr. Rohit Bhasin	02478962	Independent Director
5.	Ms. Neha	06380757	Independent Director
6.	Mr. Rajesh Kumar Dahiya	07508488	Independent Director

The Board/Committee meetings are pre-scheduled, and a tentative annual calendar of the Board/Committee meetings is circulated to the Directors/Committee Members well in advance, to facilitate them to plan their schedules and to ensure meaningful participation in the meetings.

The intervening period between 2 (two) consecutive Board meetings was well within the maximum allowed gap of 120 (one hundred and twenty) days.

In order to facilitate effective discussions at the virtual meetings, the agenda of the meetings of the Board is bifurcated into items requiring approval and items which are to be taken note of by the Board. Clarification(s)/ queries, if any, on the items which are to be noted/taken on record by the Board are sought in advance and resolved before the meeting, to ensure focused and effective discussions at the meetings.

During the year under review, the Board meetings were held 12 (Twelve) times as per the following table:

Sr. No.	Date of Board Meetings	Number of Directors entitled to attend the Meeting	Number of Directors attended the Meeting
1.	09.04.2025	6	6
2.	24.04.2025	6	6
3.	04.07.2025	6	5
4.	15.07.2025	6	5
5.	16.07.2025	6	6
6.	04.08.2025	6	6
7.	05.08.2025	6	6
8.	13.08.2025	6	6
9.	04.09.2025	6	6
10.	04.11.2025	6	6
11.	14.01.2026	6	6
12.	22.01.2026	6	6

The Board was provided with comprehensive agenda materials to facilitate informed decision-making. Your Company ensured strict adherence to the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India at all times during the year.

Details of Board of Directors, their attendance at Board Meetings during the year and at the last Annual General Meeting ("AGM") and Directorships & Committee Chairmanships/Memberships in other companies as on 31st March 2026 are given below:

A. Composition, Category of Directors and their other directorship as on 31st March 2026

Name of the Director and DIN	Category	No. of Board Meetings attended during the year 2025-2026	Attendance at the Last AGM	No. of other Directorships			Member/Chairman in No. Of Board/ Committees including other companies%		Directorship in other India listed entities	Category of Directorship
				Public	Private	LLP, Section 8 and Foreign	Chairman	Member		
Mr. Prashanth Prakash (DIN: 00041560)	Non-Executive Director	11/12	Yes	2	8	32	-	1	NIL	-
Mr. Gaurav Singh Kushwaha (DIN: 01674879)	Chairman and Managing Director	12/12	Yes	-	2	-		0	NIL	-
Mr. Sameer Dileep Nath (DIN:07551506)	Non-Executive Director	11/12	Yes	2	3	1	-	2	NIL	-
Mr. Rohit Bhasin (DIN: 02478962)	Independent Director	12/12	Yes	5	1	Nil	5	9	• ICICI Bank Limited; • Dr.Lal Pathlabs Limited; • Yatra Online Limited; • Star Health and Allied Insurance Company Limited	Non-Executive, Independent Director
Ms. Neha (DIN: 06380757)	Independent Director	11/12	Yes	2	NIL	NIL	0	2	NIL	-
Mr. Rajesh Kumar Dahiya (DIN: 07508488)	Independent Director	12/12	Yes	0	3	1	1	2	NIL	-

%For the purpose of calculating the limit of Chairmanship/membership of the Audit Committee and Stakeholders Relationship Committee are considered in both listed entities and unlisted companies.

Inter-se Relationship among Directors

None of the Directors are related to any other Director on the Board.

B. Matrix of skills/expertise/competencies of the Board of Directors:

In compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has identified a set of core skills, expertise, and competencies that are deemed essential for effective governance and strategic oversight, considering the Company's business model, industry dynamics, and long-term objectives.

Finance & Accounting

Governance and Risk Management

Human Capital

Strategic Direction

Mergers and Acquisitions

Tech and Digital

Capital Markets

Innovation

As part of the annual performance evaluation of the Board and individual Directors for the Financial Year 2025–26, an assessment of the collective skills, experience, and expertise of the Directors was undertaken. The outcome of this assessment affirmed that the Board is appropriately constituted with the requisite and balanced skill sets necessary for the effective discharge of its functions and strategic oversight. The summary of the identified skill matrix is presented below.

Mr. Prashanth Prakash
(DIN: 00041560)

Mr. Sameer Dileep Nath
(DIN: 07551506)

Ms. Neha
(DIN: 06380757)

Mr. Gaurav Singh Kushwaha
(DIN: 01674879)

Mr. Rohit Bhasin
(DIN: 02478962)

Mr. Rajesh Kumar Dahiya
(DIN: 07508488)

Flow of Information to the Board

The Board has complete access to all Company-related information. All material information, including the minimum information required under Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is shared with the Board prior to the meetings. The management continuously endeavors to enhance the quality, depth, and timeliness of information provided to the Board to facilitate informed decision-making. Additionally, the Board members are regularly updated on key developments concerning the Company.

With the unanimous consent of the Board, information in the nature of Unpublished Price Sensitive Information (UPSI), wherever necessary, may be circulated at shorter notice or place before the meeting.

The Company Secretary attends all meetings of the Board and its Committees. Draft minutes are circulated to all members of the Board and Committees for their comments in accordance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India. The final minutes, after incorporating the comments received, are entered in the Minutes Book within 30 days from the conclusion of the meeting.

The Company ensures strict compliance with the provisions of the Companies Act, 2013, the Rules framed thereunder, applicable Secretarial Standards, and the SEBI Listing Regulations with respect to convening and conducting meetings of the Board of Directors, its Committees, and General Meetings of shareholders.

The composition of the Board is in compliance with the applicable regulatory requirements and is thoughtfully structured to ensure a well-balanced mix of expertise, experience, and independence, which collectively contributes to meaningful deliberations and informed decision-making at the Board level.

The Independent Directors bring valuable external perspectives and domain-specific knowledge from diverse fields such as finance, and law. Their experience, both from leadership roles in their respective industries and as members on the boards of other reputed companies, plays a pivotal role in enhancing governance practices and contributing to the overall effectiveness of the Board. In the opinion of the Board, the Independent Directors fulfill the conditions pertaining to them set forth in the Listing Regulations and are independent of the Management of the Company.

C. Number of shares and convertible instruments held by Directors:

Details of shares and convertible instruments of the Company held by the Directors as on 31st March, 2026 are as follows:

Name of the Director and DIN	Number of Shares and Convertible Instruments held on 31st March, 2026
Mr. Prashanth Prakash (DIN: 00041560)	NIL
Mr. Gaurav Singh Kushwaha (DIN: 01674879)	2,44,65,127
Mr. Sameer Dileep Nath (DIN: 07551506)	NIL
Mr. Rohit Bhasin (DIN: 02478962)	NIL
Ms. Neha (DIN: 06380757)	NIL
Mr. Rajesh Kumar Dahiya (DIN: 07508488)	NIL

Familiarisation Policy:

The details of familiarisation policy for Independent Directors can be accessed on the Company's website at the web link https://www.bluestone.com/under the tab "Investors Relations" --> Governance --> Policies."

https://kinclimg1.bluestone.com/static/ir/plcs/BlueStone_Policy_on_familiarisation_programmes_for_independent_directors.pdf

Committees Of The Board

The Board Committees play a pivotal role in strengthening the governance framework of the Company. These Committees are constituted to focus on specific areas and activities, as mandated under applicable laws, rules, and regulations, which require detailed review and closer supervision.

Each Committee operates within a defined terms of reference, which clearly outlines its scope, powers, responsibilities, and composition. The Chairperson of the respective Committee apprises the Board of the key discussions and decisions taken at the Committee meetings. The minutes of all Committee meetings are placed before the Board for its review and noting.

The Committees, wherever necessary, invite Senior Management Personnel and external experts as special invitees to participate in the meetings for better deliberation on specific matters.

During the year under review, all recommendations made by the Committees of the Board, which were mandatorily required, were duly accepted by the Board.

The terms of reference of all the Committees are aligned with the applicable provisions of the Companies Act, 2013, the Rules framed thereunder, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The detailed terms of reference of these Committees are available on the Company's website. The terms of reference of these committees are approved by the Board and are reviewed to ensure continued relevance and alignment with the Company's evolving business needs and regulatory framework.

III. AUDIT COMMITTEE

The Audit Committee plays a critical role in assisting the Board in discharging its oversight responsibilities with respect to the Company's governance framework. It primarily oversees the financial reporting process carried out by the management, the effectiveness of internal control systems, the risk management framework, and the performance of internal and external audit functions.

The Audit Committee operates in accordance with its defined terms of reference, which outline its composition, authority, responsibilities, and reporting obligations. These terms ensure that the Committee functions in a structured and effective manner in line with regulatory expectations.

The Company Secretary acts as the Secretary to the Audit Committee. The Audit Committee is constituted in terms of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Members of the Audit Committee have wide exposure and knowledge in areas of finance and accounting. The Audit Committee, inter alia, provides reassurance to the Board on the existence of an effective internal controls environment.

Composition:

The composition of the Audit Committee along with attendance of each member is given below:

Name of the Member	Member/Chairman	Number of Meetings Attended
Mr. Rohit Bhasin - Independent Director	Chairman	8/8
Mr. Rajesh Kumar Dahiya - Independent Director	Member	8/8
Mr. Sameer Dileep Nath – Non- Executive Director	Member	7/8

During the Financial Year under review, the Audit Committee met 8 (Eight) times on 24.04.2025, 16.07.2025, 04.08.2025, 04.09.2025, 04.11.2025, 14.01.2026, 22.01.2026 and 24.03.2026.

The Audit Committee is comprised of Independent Directors and Non-Executive Director who possess the requisite financial expertise and professional experience to ensure effective oversight of the Company's financial reporting and internal control systems. The Committee engages in in-depth discussions on Financial Statements and related disclosures, contributing valuable insights that enhance transparency and accountability in financial governance.

None of recommendations made by the Audit Committee were rejected by the Board.

The Committee maintains regular interaction with the Statutory Auditor, Internal Auditor, and Secretarial Auditor to assess the robustness of the Company's audit and compliance frameworks. These interactions ensure that audit processes are conducted independently and effectively, with full support and cooperation from the management team.

The gap between two consecutive meetings of the Committee did not exceed 120 days, in compliance with the applicable statutory requirements.

All meetings of the Committee were duly convened, and the requisite quorum was present throughout, ensuring the validity of the proceedings.

Composition and Functioning of the Audit Committee

All members of the Audit Committee possess adequate knowledge of accounting, financial management, and relevant expertise or exposure.

Independent Directors who are not members of the Audit Committee may also attend the meetings as invitees, as and when required.

The composition of the Committee is in compliance with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 177 of the Companies Act, 2013.

The Managing Director, Chief Executive Officer, Executive Director, Chief Financial Officer, Statutory Auditors, and Internal Auditor are invited to attend and participate in the meetings of the Committee. The Committee may also invite other Executives, as deemed necessary, to be present at its meetings for specific agenda items.

The Chairperson of the Audit Committee regularly apprises the Board of the key discussions and decisions taken at the Committee meetings, including matters relating to Internal Audit. The minutes of each Audit Committee meeting, after being confirmed by the Committee, are placed before the Board at its subsequent meeting for noting.

Terms of Reference: The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 177 of the Companies Act, 2013 and the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

The Audit Committee shall be responsible for, among other things, as may be required by the Stock Exchange(s) from time to time, the following:

Powers of Audit Committee:

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference;

(2) to seek information from any employee;

(3) to obtain outside legal or other professional advice;

(4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

(5) such other powers as may be prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

(1) oversight of Financial Reporting process and the disclosure of financial information relating to the Company and examination of the Auditors' Report thereon to ensure that the Financial Statements are correct, sufficient and credible;

(2) recommendation to the Board of Directors of the Company (the "**Board**" or "**Board of Directors**") for appointment, re-appointment, replacement, remuneration and other terms of appointment of Statutory Auditors of the Company and the fixation of the audit fee;

(3) approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;

(4) examining and reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:

   a. 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;

   b. changes, if any, in accounting policies and practices and reasons for the same;

   c. major accounting entries involving estimates based on the exercise of judgment by management;

   d. significant adjustments made in the Financial Statements arising out of audit findings;

   e. compliance with listing and other legal requirements relating to Financial Statements;

   f. disclosure of any Related Party Transaction; and

   g. modified opinion(s) in the draft Audit Report.

(5) reviewing, with the management, the quarterly, half-yearly and Annual Financial Statements before submission to the Board for approval;

(6) 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.

(7) reviewing and monitoring the Auditor's independence and performance, and effectiveness of audit process;

(8) Formulating a policy on Related Party Transaction, which shall include materiality of Related Party Transaction;

(9) approval of any subsequent modification of transactions of the Company with Related Parties and omnibus approval for Related Party Transactions proposed to be entered into by the Company:

i. Recommend criteria for omnibus approval or any changes to the criteria for approval of the Board;

ii. Make omnibus approval for Related Party Transactions proposed to be entered into by the Company for every Financial Year as per the criteria approved;

iii. Review of transactions pursuant to omnibus approval;

iv. Make recommendation to the Board, where Audit Committee does not approve transactions other than the transactions falling under Section 188 of the Companies Act, 2013.

Explanation: The term "Related Party Transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

(10) scrutiny of inter-corporate loans and investments;

(11) valuation of undertakings or assets of the Company, wherever it is necessary;

(12) evaluation of internal financial controls and risk management systems;

(13) reviewing, with the management, performance of Statutory and Internal Auditors, and adequacy of the internal control systems;

(14) 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;

(15) discussion with Internal Auditors of any significant findings and follow-up thereon;

(16) 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;

(17) 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;

(18) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(19) reviewing the functioning of the whistle blower mechanism;

(20) overseeing the vigil mechanism established by the Company, with the chairperson of the Audit Committee directly hearing grievances of victimization of employees and Directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(21) approval of appointment of Chief Financial Officer (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate, as the case may be and whenever required;

(22) reviewing the utilization of loans and/or advances from/investment by the Company in its subsidiary(/ies) exceeding ₹ 1,00,00,00,000 or 10% of the asset size of the Subsidiary(/ies),

whichever is lower including existing loans/ advances/investments;

(23) review the Financial Statements, in particular, the investments made by any Unlisted Subsidiary;

(24) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; approving the Key Performance Indicators ("**KPIs**") for disclosure in the offer documents, and approval of KPIs once every year, or as may be required under applicable law; and

(25) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

IV. NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ("NRC") is duly constituted and functions in accordance with the provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 178 of the Companies Act, 2013.

The primary role of the NRC is to oversee the selection and appointment of Directors and members of Senior Management, based on defined criteria including qualifications, expertise, experience, and independence. The Committee ensures that the composition of the Board and Senior Management aligns with the strategic needs of the Company.

The NRC is also responsible for evaluating the performance of Directors against established performance criteria to ensure effective governance and leadership. Further, it recommends to the Board the remuneration structure and compensation payable to Directors and Senior Management, ensuring that such remuneration is reasonable, competitive, and aligned with the Company's performance and long-term objectives.

The Committee comprises of 3 Non-Executive Directors. The composition of the Committee and attendance of the members is given hereunder:

Name of the Member	Member/Chairman	Number of Meetings Attended
Mr. Rajesh Kumar Dahiya - Independent Director	Chairman	5/5
Ms. Neha – Independent Director	Member	5/5
Mr. Prashanth Prakash – Non Executive Director	Member	3/5

Composition and Functioning of the Nomination and Remuneration Committee:

The composition and terms of reference of the Nomination and Remuneration Committee (NRC) are in compliance with the provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 178(1) of the Companies Act, 2013.

The Chairman of the NRC apprises the Board, at its meetings, of the significant discussions and decisions taken at each NRC meeting. The Company Secretary acts as the Secretary to the Committee. The minutes of each NRC meeting, after being duly confirmed, are placed before the Board at its subsequent meeting for its review and noting.

The Committee has formulated and adopted a Nomination and Remuneration Policy, which, inter alia, lays down the criteria for appointment of Directors, qualifications, positive attributes, independence of Directors, and remuneration framework for Directors and Senior Management personnel. The said policy is hosted on the website of the Company for stakeholders' access.

Further, the Committee has also specified the criteria for making payments to Non-Executive Directors, which forms an integral part of the Nomination and Remuneration Policy of the Company. The policy is available on the Company's website and is periodically reviewed to ensure alignment with regulatory requirements and best governance practices.

Terms of Reference for the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be responsible for, among other things, as may be required by the Stock Exchange(s) from time to time, the following:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors of the Company (the “Board” or “Board of Directors”) a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees (“**Remuneration Policy**”);

(2) 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:

    (a) use the services of external agencies, if required;

    (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

    (c) consider the time commitments of the candidates.

(3) Formulation of criteria for evaluation of performance of Independent Director and the Board;

(4) Devising a policy on Board diversity;

(5) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;

(6) Analysing, monitoring and reviewing various human resource and compensation matters;

(7) Determining the Company’s policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment, and determining remuneration packages of such Directors;

(8) 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;

(9) recommend to the Board, all remuneration, in whatever form, payable to Non-Executive Directors and the Senior Management Personneland other staff (as deemed necessary);

(10) engaging the services of any consultant/ professional or other agency for the purpose of recommending compensation structure/ policy;

(11) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

(12) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:

    a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

    b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

    c. remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(13) Perform such functions as are required to be performed by the Nomination and Remuneration Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:

a. administering any existing and proposed Employee Stock Option Schemes formulated by the Company from time to time (the "Plan");

b. determining the eligibility of employees to participate under the Plan;

c. granting options to eligible employees and determining the date of grant;

d. determining the number of options to be granted to an employee;

e. determining the date of grant and vesting schedule;

f. determining the exercise price under the Plan; and

g. construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan.

(14) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(15) Carrying out any other activities as may be delegated by the Board of Directors of the Company, 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.

(16) During the year under review, the Nomination and Remuneration Committee to discharge its responsibilities effectively, including evaluating proposals related to ESOPs, senior-level appointments, and other Statutory Compliances linked to human resource governance.

None of recommendations made by the Nomination and Remuneration Committee were rejected by the Board.

Remuneration of Directors

The Executive Directors are paid salary and variable pay. The Independent Directors are paid sitting fees and salary as determined by the Board and as per the terms and conditions mentioned in the terms and conditions of appointment as approved by the Board and the Shareholders in the Meeting. Sitting fees to the Independent Directors are being paid as permissible under Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Remuneration of Independent Directors is based on factors such as their committee position(s), attendance & participation at Board/ Committee Meetings and performance evaluation. Independent Directors are entitled to sitting fee, reimbursement of expenses incurred to participate in Board/Committee. Further, in terms of Regulation 46 of the SEBI Listing Regulations, the criteria for payment to Non-Executive Directors is available on the investor section of the Company's website, https://kinclimg1.bluestone.com/static/ir/plcs/BlueStone_NRC_Policy.pdf.

The remuneration of Directors is in accordance with the Nomination and Remuneration Policy of the Company.

The performance evaluation is carried out based on the responses received from the Directors. For more detail on performance evaluation, refer to the para "16 Formal Annual Evaluation" in the Directors' Report.

Details of remuneration paid to the executive directors including the details of remuneration paid/payable to the executive Directors for F.Y. 25-26 are as under:

(i) Executive Director

(Amount in Rupees)

Name	Mr. Gaurav Singh Kushwaha
Designation	Chairman and Managing Director
Salary & Allowance including perquisites and variables pay and Bonus	₹ 3,38,54,004/-
Perquisites related to ESOP	NIL
Commission	NIL
Service Contract/Tenure	3 years
Performance linked incentives along with Performance criteria	NIL
Notice period (in month)	NIL
Severance Fees	NIL
Stock options	Has not been granted any Stock Options as per SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021
Pension	NIL

The Company has not entered into any contracts or arrangements with its Executive Directors for any other consideration payable, other than employment agreement.

(ii) Non-Executive Directors

(Amount in Rupees)

Name	Mr. Prashanth Prakash	Mr. Sameer Dileep Nath	Mr. Rohit Bhasin	Ms. Neha	Mr. Rajesh Dahiya
Designation	Director	Director	Director	Director	Director
Salary & Allowance including sitting fees, perquisites and variables pay and Bonus	NIL	NIL	36,00,000	36,00,000	36,00,000
Perquisites related to ESOP	NIL	NIL	NIL	NIL	NIL
Commission	NIL	NIL	NIL	NIL	NIL
Service Contract/Tenure	NIL	NIL	5 years	5 years	5 years
Performance linked incentives along with Performance criteria	NIL	NIL	NIL	NIL	NIL
Notice period (in month)	NIL	NIL	NIL	NIL	NIL
Severance Fees	NIL	NIL	NIL	NIL	NIL
Stock options	NIL	NIL	NIL	NIL	NIL
Pension	NIL	NIL	NIL	NIL	NIL

During the year, there were no other pecuniary relationships or transactions of Non-Executive Directors, The Company, save and except those disclosed in the Financial Statements. The Company has not granted any stock option to its Non-Executive Directors. The Sitting fees paid to the Non-Executive Directors are as follows:

(Amount in Rupees)

Sr. No.	Name of the Director	Sitting fees
1.	Mr. Prashanth Prakash	NIL
2.	Mr. Sameer Dileep Nath	NIL
3.	Mr. Rohit Bhasin	18,00,000
4.	Ms. Neha	14,50,000
5.	Mr. Rajesh Kumar Dahiya	20,00,000
	Total	**52,50,000**

The Remuneration paid to the Non-Executive Directors are as follows:

Sr. No.	Name of the Director	Remuneration
1.	Mr. Prashanth Prakash	NIL
2.	Mr. Sameer Dileep Nath	NIL
3.	Mr. Rohit Bhasin	*18,00,000
4.	Ms. Neha	**21,50,000
5.	Mr. Rajesh Kumar Dahiya	***16,00,000
	Total	**55,50,000**

*The Remuneration payable to Mr. Rohit Bhasin for the Financial Year was ₹ 4,50,000/-.

**The Remuneration payable to Ms. Neha for the Financial Year was ₹ 6,00,000/-

***The Remuneration payable to Mr. Rajesh Kumar Dahiya for the Financial Year was ₹ 4,00,000/-

The above mentioned sitting fee paid/payable to the Non-Executive Directors was within the limits prescribed under the Companies Act, 2013 payment of sitting fees and as per the approval of the members of the Company.

Save and except as disclosed in the Financial Statements, none of the Directors or Key Managerial Personnel had any pecuniary relationships or transactions vis-à-vis the Company.

V. STAKEHOLDER’S RELATIONSHIP COMMITTEE:

The Stakeholders’ Relationship Committee (‘**SRC**’) has been constituted in terms of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’).

The Committee comprises of 3 Non-Executive Independent Directors and 1 Non-Executive Director. The Chairman of the Committee is an Independent Director. The composition of the Committee members is given hereunder:

Name of the Member	Member/ Chairman
Mr. Rajesh Kumar Dahiya - Independent Director	Chairman
Mr. Rohit Bhasin - Independent Director	Member
Ms. Neha - Independent Director	Member
Mr. Prashanth Prakash - Non-Executive Director	Member

The Committee plays a vital role in maintaining transparent and effective communication between a company and its stakeholders, particularly shareholders.

Two (2) meeting of the committee were held during the year ended 31st March, 2026 on 24.04.2025 and 01.12.2025.

The Company Secretary acts as the Secretary to the Committee. The minutes of each SRC meeting are placed in the next meeting of the Board.

Terms of Reference for the Stakeholders’ Relationship Committee:

The Stakeholders’ Relationship Committee shall be responsible for, among other things, as may be required by the Stock Exchange(s) from time to time, the following:

The Terms of Reference for the Stakeholders’ Relationship Committee, are as under:

(1) considering and looking into various aspects of interest of shareholders, debenture holders and other security holders, as the case;

(2) Redressal of all security holders’ and investors’ grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, dematerialisation and re-materialisation of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of Annual Reports, etc., assisting with quarterly reporting of such complaints and formulating procedures in line with statutory guidelines to ensure speedy disposal of various requests received from shareholders;

(3) resolving the grievances of the security holders of the listed entity including complaints related to allotment of shares, approval of transfer/ transmission of shares, debentures or any other securities, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;

(4) Give effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;

(5) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(6) issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;

(7) review of measures taken for effective exercise of voting rights by shareholders;

(8) review of adherence to the service standards adopted by the Listed Entity in respect of various services being rendered by the Registrar and Share Transfer Agent; and

(9) to approve allotment of shares, debentures or any other securities as per the authority conferred/to be conferred to the Committee by the Board of Directors from time to time;

(10) to approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialization etc. of shares, debentures and other securities;

(11) To monitor and expedite the status and process of dematerialization and rematerialization of shares, debentures and other securities of the listed entity;

(12) review of the various measures and initiatives taken by the Listed Entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;

(13) carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the Companies Act, 2013 or the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Number of investor complaints

During the Financial Year 2025-26, no complaints were received from shareholders and investors.

i. number of complaints not solved to the satisfaction of shareholders - Nil

ii. number of pending complaints – Nil

VI. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee (RMC) has been constituted with the primary objective of assisting the Board of Directors in overseeing the Company's risk management framework, processes, and internal control systems.

Through the implementation of an Enterprise Risk Management framework, the Committee endeavors to identify, assess, and mitigate potential risks that may impact the Company's operations and strategic objectives. The RMC aims to minimize the adverse effects of such risks on the business while safeguarding and enhancing stakeholder value.

The Risk Management Committee ('RMC') has been constituted in terms of Regulation 21 of the SEBI Listing Regulations.

Two (2) meeting of the committee were held during the year ended 31st March, 2026 on 24.04.2025 and 15.10.2025.

Composition:

The Risk Management Committee presently consists of four directors are as follows:

Name of the Member	Member/ Chairman
Mr. Rohit Bhasin - Independent Director	Chairman
Mr. Rajesh Kumar Dahiya - Independent Director	Member
Ms. Neha - Independent Director	Member
Mr. Sameer Dileep Nath - Non-Executive Director	Member

The Committee is responsible for identifying, assessing, and mitigating potential risks that could impact on a company's operations, financial performance, or reputation. It develops and oversees the implementation of risk management policies and frameworks, ensuring that risks are properly evaluated and managed across all levels of the organization. The Committee formulate a business continuity plan in order to efficiently address all the future risks.

The minutes of each RMC meeting are placed in the next meeting of the Board.

Terms of Reference for the Risk Management Committee:

The Terms of Reference for the Risk Management Committee, are as under:

(1) Review, assess and formulate the risk management system and policy of the Company from time to time and recommend for an amendment or modification thereof, which shall include:

(a) a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, environment, social and governance related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

(b) measures for risk mitigation including systems and processes for internal control of identified risks; and

(c) business continuity plan;

(2) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of Risk Management Systems;

(4) Periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;

(5) To set out risk assessment and minimization procedures and the procedures to inform the Board of the same;

(6) To frame, implement, review and monitor the risk management policy for the Company and such other functions, including cyber security, as the case may be;

(7) To review the status of the compliance, regulatory reviews and business practice reviews;

(8) To approve the process for risk identification and mitigation;

(9) To decide on risk tolerance and appetite levels, recognizing contingent risks, inherent and residual risks including for cyber security;

(10) To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;

(11) To approve major decisions affecting the risk profile or exposure and give appropriate directions;

(12) To consider the effectiveness of decision-making process in crisis and emergency situations;

(13) To balance risks and opportunities;

(14) To generally, assist the Board in the execution of its responsibility for the governance of risk;

(15) Keep the Board of the Company informed about the nature and content of its discussions, recommendations and actions to be taken;

(16) Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);

(17) To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board; and

(18) 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.

The committee regularly reviews emerging risks, including strategic, financial, operational, and compliance-related threats, and advises the Board on appropriate measures to address them. By proactively managing risks, the committee helps safeguard the company's assets and supports long-term business sustainability.

VII. ENVIRONMENTAL, SOCIAL AND GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILTY (CSR) COMMITTEE:

The Committee of the Board is constituted in accordance with the provisions of Section 135 of the Companies Act, 2013.

With a view to further strengthen its commitment and enhance Board's oversight over ESG Matters, the Board of Directors expanded the scope of the

"Corporate Social Responsibility ("CSR") to include the Environmental, Social and Governance (ESG") matters and renamed the CSR Committee as " Environmental, Social and Governance ("ESG") and Corporate Social Responsibility.

The Committee is entrusted with the responsibility of formulating, reviewing, and monitoring the Company's CSR Policy and CSR framework, as well as ensuring compliance with the applicable statutory requirements relating to Corporate Social Responsibility. The scope of the Committee includes, inter alia, recommendation of CSR activities, approval of CSR plans, and monitoring of CSR implementation, wherever applicable.

During the Financial Year under review, the Company was not required to incur any CSR expenditure in terms of Section 135 of the Companies Act, 2013, as the Company did not have the requisite average net profits as prescribed under the said Section. Accordingly, no CSR spend was undertaken during the year.

However, the CSR Committee continues to function and oversee CSR-related matters to ensure compliance readiness and to consider CSR initiatives as and when the Company becomes eligible and/or required to undertake CSR expenditure in accordance with applicable provisions of law.

The Company remains committed to contributing towards social development initiatives, subject to the applicability of CSR provisions in future years.

The composition of the Corporate Social Responsibility ('CSR') Committee is detailed below.

Composition:

The Environmental, Social and Governance and Corporate Social Responsibility Committee presently consists of three Directors as follows:

Name of the Member	Member/ Chairman
Mr. Rajesh Kumar Dahiya - Independent Director	Chairman
Mr. Rohit Bhasin – Independent Director	Member
Mr. Prashanth Prakash - Non-Executive Director	Member

The minutes of each CSR meeting are placed in the next meeting of the Board.

The Chairman of the CSR Committee briefs the Board at its Meetings about the significant discussions at the CSR Meetings.

Terms of Reference

The Environmental Social Responsibility Committee be and is hereby authorized to perform the following functions:

A. Environmental Oversight

- Review progress on energy efficiency, decarbonization initiatives, and green mining practices.
- Monitor compliance with applicable environmental regulations, including waste management and biodiversity conservation requirements.
- Oversee climate risk mitigation measures, including the evaluation and adoption of low carbon technologies.

B. Social Oversight

- Monitor workplace health and safety performance, as well as diversity and inclusion initiatives.
- Supervise CSR activities and community development programs undertaken through the Corporate Social Responsibility Policy.
- Oversee human-rights-related compliance across the Company's value chain.

C. Governance Oversight

- Oversee policies related to corporate ethics, transparency, and stakeholder engagement.
- Review ESG-linked key performance indicators and executive remuneration linkages, wherever applicable.
- Ensure timely preparation and publication of BRSR, CDP, and other sustainability-related disclosures.

D. Reporting

- Periodically report to the Board on significant ESG developments, challenges, and related risk mitigation measures.
- Review and approve the Company's annual ESG Report/BRSR prior to its submission to SEBI and its publication on the Company's website.

Terms of Reference

The Corporate Social Responsibility Committee be and is hereby authorized to perform the following functions:

(1) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, and the rules made thereunder, each as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;

(2) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (1) and amount to be incurred for such expenditure shall be as per the applicable law;

(3) monitor the Corporate Social Responsibility Policy of the Company from time to time;

(4) identifying Corporate Social Responsibility Policy partners and Corporate Social Responsibility policy programmes;

(5) To review and recommend the amount of expenditure to be incurred for the Corporate Social Responsibility activities and the distribution of the same to various Corporate Social Responsibility programmes undertaken by the Company;

(6) To delegate responsibilities to the Corporate Social Responsibility team and supervise proper execution of all delegated responsibilities;

(7) To review and monitor the Corporate Social Responsibility Policy of the company and its implementation from time to time, and issuing necessary directions as required for proper implementation and timely completion of Corporate Social Responsibility programmes;

(8) To take note of the Compliances made by implementing agency (if any) appointed for the Corporate Social Responsibility of the Company;

(9) the Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its Corporate Social Responsibility policy, which shall include the following:

    (a) the list of Corporate Social Responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013;

    (b) the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act, 2013;

    (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

    (d) monitoring and reporting mechanism for the projects or programmes; and

    (e) details of need and impact assessment, if any, for the projects undertaken by the Company.

    Provided that the Board may alter such plan at any time during the Financial Year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect; and

(10) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

Our Company believes that Businesses have a responsibility beyond profit-making to contribute positively to society and the environment, fostering sustainable development and improving the quality of life for all stakeholders

In accordance with this belief, our CSR Committee is responsible for formulating and overseeing the company's CSR strategy and initiatives. Its key role is to identify areas where the company can contribute to social, environmental, and economic development, in line with legal requirements and Company values. The committee recommends CSR activities and budgets to the board, monitors the implementation of approved projects, and ensures compliance with applicable CSR laws and reporting standards.

VIII. INDEPENDENT DIRECTORS MEETING:

In accordance with the provisions of Schedule IV of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standard on Meetings of the Board of Directors (SS-1), the Independent Directors of the Company are required to hold at least one meeting in a Financial Year without the presence of Non-Independent Directors and members of the management.

During the Financial Year 2025–26, two meetings of the Independent Directors were held on 5th August 2025 and 20 March 2026.

At these meetings, the Independent Directors, inter alia, reviewed and evaluated the performance of the Non-Independent Directors, the Board as a whole, and the Chairman of the Company. Further, the Independent Directors assessed the adequacy, quality, and timeliness of the flow of information between the management and the Board, which is essential for the Board to effectively and reasonably discharge its duties.

The Chairman of the Independent Directors Meeting briefs the Board, at its meetings, on the significant discussions and provide the feedback on the board evaluation.

IX. DETAILS OF ESTABLISHMENT OF WHISTLE BLOWER POLICY/VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:

The Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal framework enabling Directors, employees, and other external stakeholders to report concerns regarding unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct.

The Policy provides adequate safeguards against victimisation of employees or stakeholders who use this mechanism in good faith. It also ensures that no personnel of the Company are denied access to the Chairperson of the Audit Committee for reporting any such concerns.

The Whistleblower Policy and Vigil Mechanism ensures strict confidentiality of all reported matters and guarantees that no unfair treatment is meted out to whistleblowers. The Company strongly condemns any form of discrimination, harassment, victimisation, or unfair employment practices against individuals reporting concerns under this mechanism.

The said Policy is also hosted on the Company's website for stakeholder reference at https://kinclimg1.bluestone.com/static/ir/plcs/Policy-for-Vigil-Mechansim-Final_v1.pdf

No personnel have been denied access to the Audit Committee.

The indents that needs to be reported under the Policy need to be in a secured envelope with the title **"Incident Reporting under the Whistle Blower policy"** or a email can be sent with the subject line **"Incident Reporting under the Whistle Blower policy"** to whistleblower@bluestone.com.

The emails received on the aforementioned ID, will only be accessible by the authorised officials of the Company to whom the powers are delegated by the Board Members. While sending through a secured envelope, the envelope should be addressed to either Chairman of the Audit Committee or Managing Director or the Chief Retail Officer should be sent to the following address: BlueStone Jewellery and Lifestyle Limited (formerly known as BlueStone Jewellery and Lifestyle Private Limited), Corporate Office: at 302, Dhantak Plaza, Makawana Road, Marol, Marol Naka, Andheri (East), Mumbai – 400059.

Further, in exceptional and appropriate cases as prescribed under the head "Investigation Process" below, Complainant have a right to make a Complaint on a Good Faith basis directly to the Chairperson of the Audit Committee by either way:

- an e-mail to acchair@bluestone.com; or
- a letter marked as "Private and Confidential" and addressed to the Chairperson of the Audit Committee and sending it at the Corporate Office of the Company i.e. BlueStone Jewellery and Lifestyle Limited (formerly known as BlueStone Jewellery and Lifestyle Private Limited), 302, Dhantak Plaza, Makawana Road, Marol, Marol Naka, Andheri (East), Mumbai – 400059.

X. POLICY AND PROCEDURE FOR INQUIRY IN CASE OF LEAK/SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION:

The Company has formulated the 'Policy and Procedure for Inquiry in Case of Leak/Suspected Leak of Unpublished Price Sensitive Information' ('UPSI') under Regulation 9A(5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended. The Policy is formulated to maintain ethical standards in dealing with sensitive information of the Company by persons who have access to UPSI. The rationale of the Policy is to strengthen the internal control systems to ensure that the UPSI is not communicated to any person except in accordance with the Insider Trading Regulations. The Policy also provides an investigation procedure in case of leak/suspected leak of UPSI.

XI. DETAILS OF ESTABLISHMENT OF CODE OF CONDUCT FOR REGULATING, MONITORING AND REPORTING OF TRADING BY INSIDERS:

The Company has a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders ("PIT Policy") for connected persons, designated persons and the insiders (collectively the "Insiders") as defined under the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"). The Policy provide adequate safeguard against victimization.

XII. NOMINATION AND REMUNERATION POLICY:

The Company has in place a policy for remuneration to the Directors, the Key Managerial Personnel and the Senior Management Personnel, as well as a well-defined criteria for the selection of candidates for appointment to the said positions which has been approved by the Board. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the Executive and Non-Executive Directors, the Key Managerial Personnel and the Senior Management Personnel.

The salient features of the Nomination and Remuneration Policy (the "Policy") are as under:

Appointment of Directors:

The Committee identifies the person who qualifies to become Directors or who may be appointed in Senior Management in accordance with the criteria as mentioned in the policy.

The Policy is available on your Company's website at the web-link: "http://www.bluestone.com" under the tab "Governance -->Policies" (https://www.bluestone.com/investor-relations.html#governance).

https://kinclimg1.bluestone.com/static/ir/plcs/BlueStone_NRC_Policy.pdf

XIII. RISK MANAGEMENT FRAMEWORK:

The Company has a Risk Management Framework to identify, monitor, mitigate and minimize risks. For details on the Policy, please refer Para 19 "Risk Management policy" to the Directors Report.

XIV.

A. General Body Meetings:

The details of Annual General Meetings (AGM)/Extra Ordinary General Meetings (EOGM) held during the last 3 (Three) years, and Special Resolution(s) passed:

1) At the 14th Annual General Meeting held on Monday, 29th September 2025 via other Audio Visual means, and no special resolution is passed in the last years.

2) In Extra Ordinary General Meeting held on Friday, 02nd May 2025 at 12:30 p.m. at the registered office of the Company at Site No.89/2, Lava Kusha Arcade, Munnekolal Village, Outer Ring Road, Marathahalli, Bangalore – 560037:

   - Approval for enhancement of the Stock Option Pool and amendment of the BlueStone Jewellery and Lifestyle – Employee Stock Option Plan 2014;
   - Approval for grant of 16,02,557 Stock Options to Mr. Sudeep Nagar under the BlueStone Jewellery and Lifestyle – Employee Stock Option Plan 2014;
   - Approval for increasing the borrowing limits of the company under section 180(1)(c) of the companies Act, 2013;
   - Approval for creation of security on the properties of the company, both present and future, in favour of lenders under section 180(1)(a) of the Companies Act, 2013.

3) At the 13th Annual General Meeting held on Wednesday, 21st August 2024 at 12:30 p.m. at the Registered office of the Company situated at Site No. 89/2 Lava Kusha Arcade, Munnekolal Village, Outer Ring Road, Marathahalli, Bangalore-560037:

   - Alteration in Object Clause of the Company.
   - Re-Appointment of Mr. Gaurav Singh Kushwaha as Managing Director and Chairman of the Company.
   - Issuance of up to 1,03,80,622 Series H Compulsorily Convertible Cumulative Preference Shares on Private Placement Basis and Circulation of the Private Placement Offer Letter.
   - Regularisation of Appointment of Mr. Rohit Bhasin (DIN: 02478962) as a Director (Category: Independent) Of the Company.
   - Regularisation of Appointment of Mr. Rajesh Kumar Dahiya (DIN: 07508488) as a Director (Category: Independent) of the Company.
   - Regularisation of Appointment of Ms. Neha (DIN: 06380757) as a Director (Category: Independent) of the Company.

- Remuneration of Non - Executive Independent Director(s) of the Company.
- Amendment to the Employee Stock Option Scheme, 2014 (Esop Plan).
- Conversion of the Private Limited Company to Public Limited Company.
- Raising of Capital through an Initial Public Offering of Equity Shares.
- Increase in Investment Limits for Non-Resident Indians and Overseas Citizens of India.
- Adoption of New Articles of Association of the Company.

4) In the Extra Ordinary General Meeting held on Saturday, 30th November 2024 at 12:00 noon at the registered office of the Company at Site No.89/2, Lava Kusha Arcade, Munnekolal Village, Outer Ring Road, Marathahalli, Bangalore – 560037:
   - Approval for Issuance of up to 13,00,000 Equity Shares on Private Placement Basis and Circulation of the Private Placement Offer Letter.
   - Approval for the Borrowing Limits of the Company under Section 180(1) (c) of the Companies Act, 2013.
   - Approval for Creation of Security on the Properties of the Company, both Present and Future, in favour of Lenders.

5) At the 12th Annual General Meeting held on Saturday, 30th September 2023 at 6:00 pm at the registered office of the Company at Site No.89/2, Lava Kusha Arcade, Munnekolal Village, Outer Ring Road, Marathahalli, Bengaluru – 560037, following special resolutions were passed:
   - Issuance of 42,80,247 0.1% Series G Compulsorily Convertible Cumulative Preference Shares on Private Placement Basis and Circulation of Private Placement Offer Letter.

6) In addition to the above at the Extra Ordinary General Meeting held on Tuesday, 11th April, 2023 at 11:00 a.m. at the registered office of the Company at No.89/2, Lava Kusha Arcade, Munnekolal Village, Outer Ring Road, Marathahalli, Bangalore – 560037:
   - Issuance of Non-Convertible Debentures During Financial Year (F.Y.) 2023-24 Through Private Placement.

7) In addition to the above at the Extra Ordinary General Meeting held on Saturday, 19th August 2023 at 11:00 a.m. at the registered office of the Company at No.89/2, Lava Kusha Arcade, Munnekolal Village, Outer Ring Road, Marathahalli, Bangalore – 560037:
   - Approval for the Increase in the Authorized Share Capital of the Company from ₹ 15 Crores to ₹ 34 Crores and Consequential Amendment to the Memorandum of Association of the Company.

8) In addition to the above at the Extra Ordinary General Meeting held on Wednesday, 30th September 2023 at 11:00 a.m. at the registered office of the Company at No.89/2, Lava Kusha Arcade, Munnekolal Village, Outer Ring Road, Marathahalli, Bangalore – 560037:
   - Issuance of 1,74,66,416 0.1% Series G Compulsorily Convertible Cumulative Preference Shares on Private Placement Basis And Circulation Of Private Placement Offer Letter.
   - Approval to Adopt the Restated Articles of Association of the Company.

9) In addition to the above at the Extra Ordinary General Meeting held on Wednesday, 18th November 2023 at 11:00 a.m. at the registered office of the Company at No.89/2, Lava Kusha Arcade, Munnekolal Village, Outer Ring Road, Marathahalli, Bangalore - 560037:
   - Issuance of up to 27,94,627 0.1% Series G Compulsorily Convertible Cumulative Preference Shares on Private Placement Basis and Circulation of Private Placement Offer Letter.

10) In addition to the above at the Extra Ordinary General Meeting held on Saturday, 23rd March 2024 at 5:00 p.m. at the registered office of the Company at No.89/2, Lava Kusha Arcade, Munnekolal Village, Outer Ring Road, Marathahalli, Bangalore - 560037:

- To Take the Approval for Raising of Financial Debt.
- Issuance of Up to 11,98,941 0.1% Series G Compulsorily Convertible Cumulative Preference Shares on Private Placement Basis and Circulation of Private Placement Offer Letter.

B. RESOLUTIONS PASSED THROUGH POSTAL BALLOT & DETAILS OF VOTING:

Procedure for postal ballot:

The Notice of Postal Ballot dated 23rd April 2026, containing the Resolution, Explanatory Statement, Postal Ballot Form along with the details of Login ID and password were e-mailed on 30 April 2026 to those members whose emails were registered with the Depository Participants/Registrar and Share Transfer Agent.

The advertisement was published in the Newspapers viz. Financial Express (English) (all editions) and Vishwavani (Kannada) on 01st May 2026.

The voting period commenced on Friday, 01st May 2026 from 9.00 AM (IST) and ended on Saturday, 30th May 2026 at 5.00 p.m. (IST).

After the Financial Year ended 2025-2026, the following special resolution was passed through postal ballot on 30th May 2026:

- To Approve the grant of a One-Time Special Bonus to Mr. Gaurav Singh Kushwaha, Managing Director and Chairman of the Company
- To Approve the Increase in Remuneration of Mr. Gaurav Singh Kushwaha, Managing Director and Chairman of the Company.

Result of voting through Postal Ballot by remote e-voting was as under:

Resolutions as given in the Postal Ballot Notice dated 23rd April 2026	Particulars of Vote Cast	Number of Votes	% of Votes	Result
Resolution No.1 as a Special Resolution	Votes Cast in Favour	11,06,47,349	97.3867	Approved by requisite majority
	Votes Cast against	29,69,096	2.6133	
Resolution No.2 as a Special Resolution	Votes Cast in Favour	11,75,70,428	99.9954	
	Votes Cast against	5,387	0.0046	

During the Financial Year 2025-26, the following special resolution was passed through postal ballot on 25th January 2026:

Procedure for postal ballot:

The Notice of Postal Ballot dated 23rd December 2025, containing the Resolution, Explanatory Statement, Postal Ballot Form along with the details of Login ID and password were e-mailed on 26th December 2025 to those members whose emails were registered with the Depository Participants/Registrar and Share Transfer Agents.

The advertisement was published in the Newspapers viz. Financial Express (English) (all editions) and Vishwavani (Kannada) on 27th December 2025.

The voting period commenced on Saturday 27th December 2025 from 9.00 AM (IST) and ended on Sunday, 25th January 2026 at 5.00 p.m. (IST).

- Ratification of the BlueStone Jewellery and Lifestyle Limited – Employee Stock Option Plan 2014:

  Result of voting through Postal Ballot by remote e-voting was as under:

Resolution as given in the Postal Ballot Notice dated 23rd December 2025	Particulars of Vote Cast	Number of Votes	% of Votes	Result
Resolution No.1 as a Special Resolution	Votes Cast in Favour	9,51,94,849	92.3472	Approved by requisite majority
	Votes Cast against	78,88,838	7.6528	

C. MEANS OF COMMUNICATION

Announcement of Financial Results:

The outcome of the Board Meeting is being intimated to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) in accordance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The same is also being uploaded on the Company's website at https://www.bluestone.com/investor-relations.html#investorUpdates and is being published within the prescribed timelines in one English and one Kannada newspaper, namely Financial Express (English) and Vishwavani (Kannada), in compliance with the Listing Regulations.

The Company regularly interacts with shareholders through multiple channels of communication such as results' announcements, annual report, media releases, Company's website and subject specific communications.

Website:

The Company's corporate website www.bluestone.com provides comprehensive information about its business activities, operations, and corporate developments.

The website hosts a dedicated "Investor Relations" section, which serves as a single point of reference for shareholders and investors, providing access to financial results, annual reports, shareholding patterns, quarterly Corporate Governance Reports and other statutory disclosures.

The Investors section also includes policies framed under various applicable laws and regulations, details of designated officials responsible for investor grievance redressal, contact information including email addresses for investor queries, and details of familiarisation programmes imparted to Independent Directors. All such information is hosted in compliance with Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

In addition, the Company regularly updates its website with corporate achievements, press releases, and other relevant disclosures. Official news releases and presentations made to institutional investors and analysts are simultaneously submitted to the Stock Exchanges where the Company's Equity Shares are listed and are also made available on the Company's website for wider dissemination and transparency.

https://www.bluestone.com/investor-relations.html

Presentation(s) to Institutional Investors and Analysts Meets:

Post declaration of Financial Results, the Company conducts an Investor Conference Call wherein members of the financial community are invited to participate in a question-and-answer session with the Company's management.

During the call, key highlights of the financial performance are discussed, and queries raised by investors and analysts are addressed to provide clarity and enhance transparency.

The quarterly, half-yearly, and Annual Financial Results, along with audio recordings and transcripts of the analyst calls, are submitted to the Stock Exchanges in compliance with applicable regulations. The same are also uploaded on the Company's website at https://www.bluestone.com/investor-relations.html#investorUpdates.

XV. GENERAL SHAREHOLDER INFORMATION:

1. **Fifteen (15th) Annual General Meeting**

   Date: AGM shall be held on 14th September 2026 at 04:30 P.M. (IST) via Video Conference/other Audio Video Means.

2. **Financial Year:** 01st April 2025 to 31st March 2026

3. The Board of Directors has not proposed any dividend for the Financial Year 2025–2026 for the approval of the shareholders.

   Listing on Stock Exchanges and Stock Code: The Equity Shares of the Company are listed on the National Stock Exchange of India and BSE Limited.

4. **Stock Code/Symbol for Equity Shares:**

Name of Stock Exchanges	Address	Stock Code/Symbol
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	544484
The National Stock Exchange of India Limited	Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400051.	BLUESTONE, Series: EQ

5. The ISIN Number for dematerialized shares: **INE304W01038**

   1. **Listing Fee:** The Annual Listing Fees have been paid to each of the above Stock Exchanges for the FY 2026-27.

   2. **Disclosure for securities that are suspended from trading:** The securities of the Company were not suspended from trading by any of the stock exchanges during the year under Report

   3. **Registrar and Share Transfer Agents(RTA):** The Company has appointed Registrar and Share Transfer Agent to handle the share/debenture transfer/transmission work and to resolve the complaints of shareholders/debenture holders. Name, address and telephone number of Registrar and Share Transfer Agent is given hereunder:

      KFin Technologies Limited

      (**Unit** - BLUESTONE JEWELLERY AND LIFESTYLE LIMITED)

      Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032.

      Tel No.: +91 40 67162222

      Toll Fee No.: - 1800-309-4001

      Email: einward.ris@kfintech.com

      Compliance Officer

      Pursuant to Regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Paras Shah, Company Secretary, (resigned wef June 30, 2026) has been designated as the Compliance Officer of the Company. The details for correspondence are as under:

      Mr. Paras Shah, Company Secretary and Compliance Officer, BlueStone Jewellery and Lifestyle Limited, Corporate Office: 302, Dhantak Plaza, Makwana Road, Marol, Andheri (East), Mumbai – 400059, Maharashtra. Tel: +91 72599 17666; Email: secretarial@bluestone.com.

   4. **Share Transfer System**

      Transfer of shares in electronic form are processed and approved by NSDL/CDSL through their Depository Participant(s), without involvement of the Company.

   5. **Unclaimed Dividend and shares transferred to Investor Education and Protection Fund ("IEPF")**

      During the period under review, no unclaimed dividends or shares were required to be transferred to the Investor Education and Protection Fund pursuant to applicable provisions of the Companies Act, 2013.

6. **Distribution of Equity Shareholding**

Shareholding as on 31st March 2026

Range of Shares	No of Shareholders	% of Shareholders	No. of Shares	% of Shares held
1-501	38,807	97.76	15,87,341	1.04
501- 1,000	368	0.93	2,71,993	0.18
1,001- 2,000	162	0.41	2,32,320	0.15
2,001- 3,000	58	0.15	1,45,432	0.10
3,001- 4,000	30	0.08	1,02,955	0.07
4,001- 5,000	23	0.06	1,05,303	0.07
5,001- 10,000	60	0.15	4,41,048	0.29
10,001 – 20,000	40	0.10	5,56,885	0.37
20001 and above	149	0.38	14,87,88,088	97.94
Total	**39,697**	**100**	**15,22,31,365**	**100.00**

The shareholding details provide for distribution of Equity Shares of the Company, and do not include the distribution of Preference Shares issued by the Company.

7. **Shareholding Pattern as on 31st March 2026:**

Sr. No.	Particulars	No. of Shares	% of Share Holding
1.	Promoters and Promoter Group	2,47,61,977	16.27
2.	Resident Individuals	1,92,37,386	12.64
3.	Non Resident Individuals	87,150	0.05
4.	Foreign Direct Investment & Foreign Portfolio Investors Category I	5,20,46,844	34.19
5.	Alternative Investment Fund	3,40,70,917	22.38
6.	Bodies Corporate, Mutual Funds, Insurance and others	2,20,27,091	14.47
	Total	**15,22,31,365**	**100%**

8. **Shareholding of Key Managerial Personnel:**

Sr. No.	Name of the KMP	Designation	Number of shares held	% of Shareholding
1.	Mr. Gaurav Singh Kushwaha	Chairman and Managing Director	2,44,65,127	16.07
2.	Mr. Rumit Dugar	Chief Financial Officer	2,086	0.00
3.	Mr. Paras Shah	Company Secretary	NIL	NIL

9. **Dematerialization of Shares and liquidity**

The Company's Shares are required to be compulsorily traded on the Stock Exchanges in dematerialised form.

The Company has dematerialized (ISIN) its Equity Shares with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

As on 31st March 2026, 97.98% of the Company's shares are in dematerialised mode:

Sr. No.	No of Shares held in	Number of Shares	% of shares
1	Physical Form	30,80,655	2.02
2	Electronic form with NSDL	13,60,42,388	89.37
3	Electronic form with CDSL	1,31,08,322	8.61
	Total	**15,22,31,365**	**100.00**

The Company obtain certificates from a practicing Company Secretary on a quarterly basis regarding reconciliation of the share capital audit of the Company confirming that the total issued/paid-up capital of the Company is in agreement with the total number of shares held in dematerialised form with NSDL and CDSL.A copy of these certificates received are submitted to both the Stock Exchanges viz. NSE and BSE.

10. **Outstanding, GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:**

There are no Outstandings GDRS/ADRs/warrants or other convertible Instruments outstandings as on 31st March 2026. However, the Company has outstanding Employee Stock Options save and except outstanding Employee Stock Options issued under the Employee Stock Option Plan 2014. For relevant disclosure refer to the "Share Capital" section in the "Director's Report".

11. **Disclosure of shares held in suspense account under Clause F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

As per regulation 34(3) read with Schedule V of the Listing Regulations, no shares of the Company are lying in the suspense account. Refer Point 8 (c) to the Directors Report.

12. **List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year, for all debt instruments/fixed deposit program or any scheme or proposal involving mobilization of funds, whether in India or abroad.**

Your Company did not obtain any credit ratings for its securities during the year. Consequently, this clause is not applicable to the Company.

13. **Plant Locations of the Company and its subsidiary:**

The Company have manufacturing facilities located in Mumbai, Maharashtra, Jaipur, Rajasthan and Surat, Gujarat and have commenced operations facility at Surat, Gujarat following locations:

Sr. No.	Name of Manufacturing location	Address
1.	Mumbai, Maharashtra	Plot No. 107, Marol Cooperative Industrial Estate, Sir M V Road, Andheri (East), Mumbai – 400 059,Maharashtra
2.	Jaipur, Rajasthan	G- 976 to G- 978, Near Balaji Market, RIICO Industrial Area, Sitapura, Jaipur 302 022, Rajasthan
3.	Surat, Gujarat	Plot Nos. S – 06 & 07, Gujarat Hira Bourse, Gem and Jewellery Park, Pal – Hazira Road, Ichchhapore, Surat 394 510,Gujarat.

The Subsidiary does not operate any manufacturing facilities during the period under review.

14. **Address for correspondence:**

Registered Office:	Corporate Office:
BlueStone Jewellery and Lifestyle Limited (formerly known as BlueStone Jewellery and Lifestyle Private Limited) (CIN – L72900KA2011PLC059678) Site No.89/2 Lava Kusha Arcade Munnekolal Village, Outer Ring Road, Mar, Athahalli, Bangalore - 560037, Karnataka, India, Tel: +91 80 4514 6904 Registered e-mail: secretarial@bluestone.com Website– https://www.bluestone.com/investor-relations.html/	**BlueStone Jewellery and Lifestyle Limited** (formerly known as BlueStone Jewellery and Lifestyle Private Limited) (CIN – L72900KA2011PLC059678) 302, Dhantak Plaza, Makwana Road, Marol, Andheri (East), Mumbai-400059, Maharashtra, India Tel: +91 72599 17666 Registered e-mail: secretarial@bluestone.com Website– https://www.bluestone.com/investor-relations.html/

XVI. SENIOR MANAGEMENT PERSONNEL ("SMP"):

In accordance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of the Senior Management Personnel (SMPs) of the Company as on 31st March 2026, along with the changes therein since the closure of the previous Financial Year, are provided below:

Sr. No.	Name	Designation
1.	Mr. Sudeep Nagar	Chief Operating Officer
2.	Mr. Vipin Sharma	Chief Merchandising Officer
3.	Mr. Harshit Kulin Desai	Chief Manufacturing Officer
4.	Mr. Mikhil Raj	Chief Product Officer
5.	Mr.Tarun Rajput	Head Engineering
6.	Mr. Gaurav Sachdeva#	Chief Retail Officer
7.	Mr. Rumit Dugar	Chief Financial Officer

#Resigned with effect from March 09, 2026.

XVII. TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART

The details of the total fees for all services paid by the Listed Entity and its Subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part is given below as on March 31, 2026:

Particulars	Amount in Rupees
Audit of statutory accounts including consolidated accounts	₹ 50,00,000
Taxation matters	NIL
Other service	₹ 1,90,000
Reimbursement of levies and expenses	₹ 2,89,624
Total	**₹ 54,79,624**

XVIII. OTHER DISCLOSURE:

a. Disclosure on materially significant Related Party Transactions that may have potential conflict with the interests of the Company at large:

All Related Party Transactions entered into during the Financial Year 2025–26 were on an arm's length basis, in the ordinary course of business, and in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There were no materially significant Related Party Transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel, or other designated persons that may have had a potential conflict with the interests of the Company at large.

The Board has approved a Policy on Related Party Transactions, which lays down the framework for identification, approval, and monitoring of such transactions. The said Policy is available on the Company's website for reference by stakeholders.

The Policy on Related Party Transactions, which provides the criteria for determining the materiality of Related Party Transactions and also the manner of dealing with related party transactions, adopted by the Board in accordance with the provisions of Regulation 23(1) of the Listing Regulations, has been uploaded on the website of the Company at https://kinclimg1.bluestone.com/static/ir/plcs/BlueStone_RPT_Policy_v1.pdf

b. Disclosure Pursuant to Regulation 34(3) of the SEBI (LODR), 2015.

For disclosures pursuant to Regulation 34(3), refer Notes to Accounts annexed to the Financial Statements

c. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years:

The Company has complied with the requirements of the statutory authorities on all matters relating to capital markets. There has been no instance of non-compliance by the Company or penalty and/or stricture imposed on the Company by stock exchanges or SEBI or any statutory authority, on any matter related to capital market, during the last three years. Further, there is no non-compliance of any requirement of Corporate Governance Report as prescribed under sub-para (2) to (10) of Part C of Schedule V of the SEBI Listing Regulations.

d. Policy for determining material subsidiaries

As on the date of this Annual Report, the Company does not have any material subsidiary, as defined under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, i.e., a Subsidiary whose turnover or net worth exceeds 20% of the consolidated turnover or net worth of the Company and its Subsidiary in the immediately preceding accounting year, respectively.

The Subsidiaries of the Company operate with adequately empowered Boards of Directors and are provided with sufficient resources to carry out their business operations effectively.

The minutes of the Board meetings of the Subsidiary Companies, along with details of significant transactions and arrangements entered into by them, are placed before the Board of Directors of the Company on a quarterly basis. Further, the Financial Statements of the Subsidiary Companies are regularly reviewed by the Audit Committee.

During the F.Y. 2025-26, the Company and its Subsidiaries has not given any 'Loans and Advances' in the nature of loan to Firms/ Companies in which Directors are interested.

The Company has also adopted a Policy for determining 'Material Subsidiaries', which is available on the Company's website for reference by stakeholders at the web-link: https://www.bluestone.com/under the tab "Governance ---> Policies" https://kinclimg1.bluestone.com/static/ir/plcs/BlueStone_Material_Subsidaries.pdf

e. Detail of compliance with mandatory requirement and adoption of the non-mandatory requirements of the Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Our Company is in compliance with the mandatory requirements mentioned under Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable and in addition, the Company has complied with the following discretionary requirements:

a. The Auditor's Report on standalone and consolidated Financial Statements of the Company for the Financial Year ended 31st March 2026 are unqualified.

b. Reporting of Internal Auditor.

f. Disclosure of Commodity Price Risk or Foreign Exchange Risks and Commodity Hedging Activities

The Company is exposed to price fluctuations on account of gold prices and this is managed by way of:

a) Purchase of gold on lease from banks where the commodity price is fixed only when the corresponding sale happens to customers. Thus, the Company is not exposed to gold prices for this portion of purchase.

b) Purchase of gold from customers (on exchange, outright jewellery) or spot gold where the risk is managed by way of taking a sell future position in the Commodity Exchanges or Forward Contracts/OTC Contracts with banks (Including Banks at IFSC/GIFT) (subject to RBI & IFSCA regulation). On a later date when this is sold in the stores, the positions are squared off through Buy Future/Buy Forward. Thus, there is no exposure to gold prices for this portion of gold purchase also. The Mark-to-Market of outstanding Sell Future Contracts is done on a daily basis, based on the gold rate fluctuation.

All the commodity hedging is done in adherence to the "Bullion Risk Management Policy" approved by the Board and the Company has hedging limits in place. The Company's Bullion Risk Management Committee consisting of Senior Management reviews the position on a quarterly basis.

Exposure of the Company to commodity and commodity risks faced by the entity throughout the year:

a. Total exposure of the Company to Commodities (as of 31st March 2026): 3,011.66 million (Gold).

b. **Exposure of the Company to various Commodities:**

Commodity name	Exposure in ₹ towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Gold - 1 Kg contract	3011.66 million	205 Kgs	-	100%	-	-	100%

g. Details of Material Subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the Statutory Auditors of such Subsidiaries:

The Company does not have any Material Subsidiary for the Financial Year 2025 – 26.

h. Disclosure on acceptance of recommendations made by Board Committees to the Board

During F.Y. 2025-2026, all recommendations made by the Board Committees to the Board of Directors, were accepted by the Board after due deliberations.

i. Disclosure by Listed Entity and its Subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount':

During the F.Y. 2025-26, the Company and its Subsidiaries has not given any 'Loans and Advances' in the nature of loan to Firms/ Companies in which Directors are interested.

j. The disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on Corporate Governance of the Annual Report.

The Company has implemented the mandatory requirements of Corporate Governance as set out in the Listing Regulations and is in compliance with the regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.

k. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The summary of sexual harassment complaints for the period under review is as follows:

a) Number of complaints pending at the beginning of the year: NIL

b) Number of complaints received during the Financial Year: 3

c) Number of complaints disposed-off during the Financial Year: 3

d) Number of complaints pending as on end of the Financial Year: NIL

e) Number of cases pending for more than ninety days: NIL

l. Proceeds from public issues, rights issues, preferential issues etc:

The Company places before the Audit Committee, on a quarterly basis, a statement indicating the utilisation and application of proceeds/funds raised through public issues.

This disclosure forms part of the quarterly review of Financial Results, enabling the Audit Committee to monitor and ensure that such funds are utilised for the purposes for which they were raised, in compliance with applicable regulatory requirements.

m. Policy on Determination of Materiality and Preservation of Documents:

The Company has adopted a Policy on Determination of Materiality for Disclosures and a Policy for Preservation of Documents, in compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These policies provide a framework for determining material events and information that require disclosure to the Stock Exchanges, as well as for the systematic preservation, maintenance, and disposal of documents in accordance with statutory requirements.

The aforesaid policies are available on the Company's website for access by stakeholders.

XIX. STATUTORY CERTIFICATES:

A. PRACTICING COMPANY SECRETARY'S CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS:

A certificate received from M/s. Mihen Halani & Associates, Practising Company Secretaries, pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any other statutory authority as on 31st March 2026, is annexed to this Report as **Annexure 7**.

B. CERTIFICATE OF COMPLIANCE CERTIFICATE BY PRACTICING COMPANY SECRETARY:

The Company has complied with all the mandatory requirements specified under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has obtained a certificate from M/s. Mihen Halani & Associates, Practising Company Secretaries, confirming compliance with the Corporate Governance requirements during the Financial Year 2025–26. The said certificate is annexed to this Report.

The Directors' Report, the Corporate Governance Report, the Financial Statements and the Annexures, Schedules thereto should be read in conjunction. For ease of reading related matters together and avoiding repetition, certain disclosures have been clubbed together and disclosed at one place instead of disclosing the same at different place.

C. CEO/CFO CERTIFICATION:

In terms of Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate duly signed by the Chief Executive Officer/Managing Director and the Chief Financial Officer of the Company, confirming, inter alia, the correctness of the financial statements, the adequacy of internal controls, and other matters specified therein, was placed before the Board of Directors at its meeting held to consider the financial results for the financial year ended 31st March 2026, and is annexed to this Report.

D. DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT:

In accordance with Regulation 26(3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a declaration signed by the Managing Director, affirming that all the Members of the Board and Senior Management Personnel have complied with the Company's Code of Conduct for Board of Directors and Senior Management for the financial year ended 31st March, 2026, has been disclosed under Point No. 43 of the Directors' Report.

The Directors' Report, the Corporate Governance Report, the Financial Statements and the Annexures, Schedules thereto should be read in conjunction. For ease of reading related matters together and avoiding repetition, certain disclosures have been clubbed together and disclosed at one place instead of disclosing the same at different place.

COMPLIANCE CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

[Pursuant to regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

A. We have reviewed Audited Financial Statements and Cash Flow Statements for Financial Year ended 31st March, 2026 and that to the best of our knowledge and belief:

   1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended 31st March, 2026 which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee, wherever applicable:

   1) significant changes (if any) in internal control over financial reporting during the Financial Year ended 31st March, 2026;

   2) significant changes (if any) in accounting policies during the Financial Year ended 31st March, 2026 and that the same have been disclosed in the notes to the Financial Statements; and

   3) instances of significant fraud (if any) of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors of
BlueStone Jewellery and Lifestyle Limited
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)

Sd/-
Gaurav Singh Kushwaha
Managing Director
DIN No: 01674879

Sd/-
Rumit Dugar
Chief Financial Officer

Date: 23rd April, 2026

CERTIFICATE OF PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE

To,
The Members,
BLUESTONE JEWELLERY AND LIFESTYLE LIMITED
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)
CIN: L72900KA2011PLC059678
Site No. 89/2, Lava Kusha Arcade Munnekolal Village,
Outer Ring Road, Marathahalli, Bangalore – 560 037, Karnataka, India.

We have examined the compliance of conditions of Corporate Governance by BlueStone Jewellery and Lifestyle Limited ("the Company"), for the year ended on 31st March 2026, as stipulated in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the SEBI LODR Regulations.

We state that in respect of investor's grievance received during the year ended 31st March 2026, the Registrar and Share Transfer Agent of the Company have certified that as at 31st March 2026, there were no investors' grievances remaining unattended/pending to the satisfaction of the investor.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Note: The Company has successfully completed its Initial Public Offer (IPO) and consequent to the same, its Equity Shares were listed and admitted to dealings on the main board of BSE Limited and National Stock Exchange of India Limited w.e.f. 19th August 2025.

For **MIHEN HALANI & ASSOCIATES**
Practicing Company Secretaries

Sd/-
Mihen Halani
(Proprietor)
CP No: 12015
FCS No: 9926

Date: 23.04.2026
Place: Mumbai
UDIN: F009926H000184551

CERTIFICATE OF SECRETARIAL AUDITOR ON IMPLEMENTATION OF EMPLOYEE STOCK OPTION SCHEME

[Pursuant to Regulation 13 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
BLUESTONE JEWELLERY AND LIFESTYLE LIMITED
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)
CIN: L72900KA2011PLC059678
Site No. 89/2, Lava Kusha Arcade Munnekolal Village,
Outer Ring Road, Marathahalli, Bangalore – 560 037, Karnataka, India.

We have examined the relevant records, registers, forms, papers, documents and BlueStone Jewellery and Lifestyle Limited - Employee Stock Option Plan 2014 (hereinafter referred to as "the ESOP Scheme"/ "the Scheme") of **BlueStone Jewellery and Lifestyle Limited** having **CIN: L72900KA2011PLC059678** and having registered office situated at Site No. 89/2, Lava Kusha Arcade Munnekolal Village, Outer Ring Road, Marathahalli, Bangalore – 560 037, Karnataka, India, (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this certificate in accordance with the Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "the SBEB&SE Regulations /the Regulations").

The accompanying ESOP Scheme contains provisions regarding the issuance of securities of the Company as approved by the shareholders of the Company, which we have initialed for identification purpose only.

The Management of the Company is responsible for the implementation of the Scheme in accordance with the requirements of the Regulations, as amended or modified from time to time, and in accordance with the special resolution passed by the shareholders of the Company under section 62(1)(b) of the Companies Act, 2013 read with rules made thereunder approving the ratification of the Scheme on January 25, 2026 through postal ballot (hereinafter referred to as "the Shareholders' Resolution"). The Management of the Company is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for furnishing the relevant information/disclosures to the Stock Exchange(s).

Pursuant to the requirements of the SBEB&SE Regulations, it is our responsibility to obtain reasonable assurance and form an opinion as to whether the accompanying Scheme is implemented in compliance with the Regulations and Shareholders' Resolution. For the purpose of our examination, reliance was placed on audited financial statements for the year ended March 31, 2026, and records of the Company.

In our opinion, based on the examination carried out by us and according to the information and explanations given to us, we certify that the Company has implemented the Scheme in accordance with the SBEB&SE Regulations.

This certificate is issued pursuant to Regulation 13 of the Regulations to enable the Board of Directors of the Company to place it before the shareholders at the ensuing annual general meeting of the Company.

Note: The Company has successfully completed its Initial Public Offer (IPO) and consequent to the same, its Equity Shares were listed and admitted to dealings on the main board of BSE Limited and National Stock Exchange of India Limited w.e.f. August 19, 2025

For **MIHEN HALANI & ASSOCIATES**
Practicing Company Secretaries

Sd/-
Mihen Halani
(Proprietor)
CP No: 12015
FCS No: 9926

Date: 23.04.2026
Place: Mumbai
UDIN: F009926H000184463

Annexure - 6

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE FINANCIAL YEAR 2025-26

1. Brief outline on CSR Policy of the Company:

   The Company aims at spending a defined portion of its net profit in inter alia the following activities for the betterment of society:

   - eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
   - promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
   - promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
   - ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
   - protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts; etc.

2. Composition of Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rajesh Kumar Dahiya	Independent Director & Chairperson	**1**	**1**
2.	Mr. Rohit Bhasin	Independent Director & Member	**1**	**1**
3.	Mr. Prashanth Prakash	Non- Executive Director & Member	**1**	**1**

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved (if any) by the board are disclosed on the website of the company: https://www.bluestone.com/investor-relations.html#governance.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

   Not Applicable for the Financial Year under review.

5. a) Average Net Profit/Loss of the company as per Section 135(5)- **Not Applicable since the average net profit of the last three Financial Years is Negative.**

   b) Two percent of average net profit/(Loss) of the company as per sub section (5) of Section 135 - **Not Applicable**

c) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Year - **Not Applicable**

d) Amount required to be set off for the Financial Year, if any - **Not Applicable**

e) Total CSR obligation for the Financial Year [(b)+(c)-(d)) - **Not Applicable**

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - **Not Applicable**

b) Amount spent in Administrative Overhead - **Not Applicable**

c) Amount spent on Impact Assessment, if applicable - **Not Applicable**

d) Total amount spent for the Financial Year [(a)+(b)+(c)] - **Not Applicable**

e) CSR amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year (in ₹)	Amount Unspent (In Lakhs)				
	Total Amount Transferred to unspent CSR amount as per sub-section 6 of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section 5 Section 135.		
	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
N.A.	Not Applicable		Not Applicable		

f) Excess amount for set off, if any:

Sr. No.	Particulars	Amount (In ₹)
(i)	Two percent of average net profit of the company as per sub-section 5 of Section 135	NIL
(ii)	Total amount spent for the Financial Year	NIL
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Not applicable
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

7. Details of unspent Corporate Social responsibility amount for the preceding three Financial Year: **N.A.**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Sub-section 6 of Section 135 (In ₹)	Amount spent in the reporting Financial Year (In ₹)	Amount transferred to any fund specified under Schedule VII as per Sub-section 6 of Section 135, if any.		Amount remaining to be spent in succeeding Financial Years. (In ₹)	Deficiency, if any
				Amount (In ₹)	Date of Transfer		
1				-			
2				-			
3				-			

8. Whether any Capital asset have been created or acquired through Corporate Social Responsibility amount spend in the Financial Year:

Yes ○ No ●

If yes, entered the number of capital asset created/acquired: **N.A.**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **N.A.**

Sr. No.	Short Particular of the Property or asset(s) [including complete address and location of the property]	Pincode of the Property or asset(s)	Date of Creation	Amount of CSR amount spend	Details of entity/Authority/Beneficiary of the registered owner		
					CSR Registration No., If applicable	Name	Registered address
				-			

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries).

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: N.A. since the average net profit of the last three financial years is Negative.

For and on behalf of the Board of Directors of
BlueStone Jewellery and Lifestyle Limited
(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)

Sd/-
Rajesh Kumar Dahiya
Director & Chairman of CSR & ESG Committee
DIN: 07508488

Place: Mumbai
Date: 14th August 2026

Sd/-
Gaurav Singh Kushwaha
Managing Director
DIN:01674879

Place: Mumbai
Date: 14th August 2026

Annexure – 7

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and clause (10)(i) of Para C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

BLUESTONE JEWELLERY AND LIFESTYLE LIMITED

(Formerly known as BlueStone Jewellery and Lifestyle Private Limited)

CIN: L72900KA2011PLC059678

Site No. 89/2, Lava Kusha Arcade Munnekolal Village,

Outer Ring Road, Marathahalli, Bangalore – 560 037, Karnataka, India.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of BlueStone Jewellery and Lifestyle Limited bearing CIN - L72900KA2011PLC059678 and having registered office situated at Site No. 89/2, Lava Kusha Arcade Munnekolal Village, Outer Ring Road, Mar, Athahalli, Bangalore – 560 037, Karnataka, India **(hereinafter referred to as "the Company")**, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs at "www.mca.gov.in") as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2026 have been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Designation	Date of appointment in Company
1.	Gaurav Singh Kushwaha	01674879	Chairman and Managing Director	04/04/2012
2.	Prashanth Prakash	00041560	Non-executive Director	26/10/2011
3.	Sameer Dilip Nath	07551506	Non-executive Director	05/07/2016
4.	Rohit Bhasin	02478962	Non-executive Independent Director	16/08/2024
5.	Ms. Neha	06380757	Non-executive Independent Director	16/08/2024
6.	Rajesh Kumar Dahiya	07508488	Non-executive Independent Director	16/08/2024

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Note: The Company has successfully completed its Initial Public Offer (IPO) and consequent to the same, its Equity Shares were listed and admitted to dealings on the main board of BSE Limited and National Stock Exchange of India Limited w.e.f. 19th August 2025.

For **MIHEN HALANI & ASSOCIATES**
Practicing Company Secretaries

Sd/-
Mihen Halani
(Proprietor)
CP No: 12015
FCS No: 9926

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Management discussion and analysis report

Economic Outlook

Global Economy Outlook

The global economy enters 2026 under the shadow of a new geopolitical shock. The outbreak of war in the Middle East at the end of February 2026 has emerged as a significant counterforce to the global economic tailwinds that had supported growth over the past year, specifically technology-related investment, accommodative financial conditions including a weaker US dollar, and fiscal and monetary policy support. The IMF's April 2026 World Economic Outlook presents a "reference forecast" built on the assumption that the conflict remains limited in duration and scope, with disruptions fading by mid-2026.

Real GDP, annual percentage change

		Projections	
	2025	**2026**	**2027**
World Output	**3.4**	**3.1**	**3.2**
Advanced Economies	**1.9**	**1.8**	**1.7**
United States	2.1	2.3	2.1
Euro Area	1.4	1.1	1.2
Germany	0.2	0.8	1.2
France	0.9	0.9	0.9
Italy	0.5	0.5	0.5
Spain	2.8	2.1	1.8
Japan	1.2	0.7	0.6
United Kingdom	1.3	0.8	1.3
Canada	1.7	1.5	1.9
Other Advanced Economies	3.0	2.6	2.2
Emerging Market and Developing Economies	**4.4**	**3.9**	**4.2**
Emerging and Developing Asia	5.5	4.9	4.8
China	5.0	4.4	4.0
India	7.6	6.5	6.5
Emerging and Developing Europe	2.0	2.0	2.1
Russia	1.0	1.1	1.1
Latin America and the Caribbean	2.4	2.3	2.7
Brazil	2.3	1.9	2.0
Mexico	0.6	1.6	2.2
Middle East and Central Asia	3.6	1.9	4.6
Saudi Arabia	4.5	3.1	4.5
Sub-Saharan Africa	4.5	4.3	4.4
Nigeria	4.0	4.1	4.3
South Africa	1.1	1.0	1.3
Memorandum			
Emerging Market and Middle-Income Economies	4.4	3.8	4.1
Low-Income Developing Countries	4.8	4.8	4.9

Source: IMF, World Economic Outlook, April 2026

Under this reference forecast, global growth is projected at 3.1% in 2026 and 3.2% in 2027, below the 2024–25 pace of approximately 3.4%, and well short of the pre-pandemic historical average of 3.7%. Global headline inflation is expected to rise to 4.4% in 2026 before easing to 3.7% in 2027. The IMF notes that if not for the conflict, 2026 growth would have been revised marginally upward; the downward revision is therefore largely a product of Middle East crises, partly offset by carryover from strong recent data and reduced tariff rates.

The impact is uneven across economies. Advanced economies have seen broadly unchanged growth forecasts, while emerging market and developing economies face a 0.3 percentage point downward revision for 2026, with commodity-importing nations and more vulnerable economies carrying a disproportionate burden. Under more adverse scenarios involving larger or more persistent energy price shocks, global growth could fall as low as 2.0% in 2026, with headline inflation breaching 6.0% by 2027.

The IMF identifies a range of downside risks beyond the immediate conflict: further escalation of trade tensions, a correction in AI-related investment valuations, fiscal deterioration across sovereigns already operating with limited buffers, and erosion of central bank credibility at a time when inflation expectations are already under pressure. On the upside, a sustained AI productivity dividend and renewed momentum on structural reforms could provide meaningful support to economic activity.

Source: IMF WEO – April 2026

Indian Economy Outlook

Despite heightened global trade tensions, and geopolitical shocks, India retained its position as the fastest-growing major economy in FY26. Real GDP growth accelerated to 7.6%, up from 7.1% in FY25, driven by robust domestic demand underpinned by low inflation, income tax cuts, GST rationalisation, and more accommodative monetary conditions.

Manufacturing and services both delivered strong supply-side performance. The current account deficit narrowed to 1.0% of GDP, and fiscal consolidation continued, bringing the general government deficit down to 7.4% of GDP.

Labour market conditions remained stable. Formal employment creation strengthened, with net new EPF subscribers growing at nearly 14% year-on-year in the first half of FY26. Headline inflation averaged just 1.9% between April 2025 and February 2026, compared to 4.7% in the same period of FY25, driven primarily by a sustained fall in food prices. The RBI responded by cutting the policy rate by a cumulative 125 basis points to 5.25%, before shifting its monetary policy stance from accommodative to neutral in June 2025 as the room for further easing narrowed.

The external position came under pressure in the latter part of FY26. The Indian rupee depreciated against the US dollar, falling to an all-time low of approximately ₹95/USD by end-March 2026, driven by foreign portfolio outflows and heightened financial market volatility following the onset of the Middle East crises. Foreign exchange reserves declined to $698 billion by end-March, from a peak of nearly $730 billion in late February.

Looking ahead, the World Bank projects India's FY27 growth at 6.6%, reflecting headwinds from elevated global energy prices and supply chain disruptions associated with the Middle East conflict. Higher oil and gas import costs are expected to raise inflationary pressures, temper private consumption, and widen the current account deficit to approximately 1.8% of GDP. A prolonged conflict poses additional risks, particularly given India's reliance on Gulf remittances, which account for approximately 38% of total inward remittance flows. Should global energy markets normalise, growth is expected to rebound to 7.2% in FY28.

India's macroeconomic buffers remain a meaningful source of resilience. The World Bank highlights that the current environment underscores the importance of energy diversification, prudent fiscal management, and advancing trade diversification through recently concluded and prospective free trade agreements, priorities that will strengthen India's position in an increasingly fragmented global trade environment.

Beyond the macroeconomic picture, the more structural shift in India's economic narrative is defined by a powerful demographic and social transition reshaping the nation's internal market. At the heart of this transformation is what can be described as a "**Consumer Renaissance**": a structural evolution where a population of 1.4 billion is moving from survival-based spending to a sophisticated, convenience-driven consumption model.

FACTOR	TRADITIONAL TREND	EMERGING TREND
Household Structure	Large joint families, bulk buying.	Nuclear families, frequent, convenience-led buying.
Consumer Base	Price-sensitive, unorganized local shops.	Value-consciouos; organized retail and e-commerce.
Workforce Dynamics	Male-dominated primary earners.	Rising female labor participation; higher household income.
Urban Density	Concentrated in Tier 1 "Metros".	Massive "Urban Sprawl" into Tier 2 and 3 cities.

Categorization	2019	CAGR (2019 -2024)	2024	CAGR (2024-2029P)	2029P
	Total Households ~312 million		Total Households ~342 million		Total Households ~370 million
High income Households ₹1.1 million+ (US$ 13,000+)	28 million 9%	~8%	41 million 12%	~8%	60 million 16%
Upper Middle Class Households ₹0.8-1.1 million (US$ 9,400-13,000)	50 million 16%	~7%	68 million 20%	~6%	92 million 25%
Lower Middle Class Households ₹0.3-0.8 million (US$ 3,300-9,400)	94 million 30%	~3%	106 million 31%	~2%	118 million 32%
Lower Income Households <₹0.3 million (<US$ 3,300)	140 million 45%	~(2)%	127 million 37%	~(5)%	100 million 27%

Several interconnected trends underpin this transition. A young, digitally native workforce is driving demand for modern retail formats, prioritising speed, and brand reliability. Rapid urbanisation, coupled with the nuclearisation of families into smaller, dual-income households, has increased demand for organised and efficient supply chains. The rising participation of women in the formal workforce has not only raised household income stability but has simultaneously fuelled demand for convenience-driven and self-expressive consumption. Expanding disposable incomes across Tier 2 and Tier 3 cities are formalising the economy, moving the retail landscape toward organised channels capable of offering the scale and variety demanded by a globalising middle class. Underpinning all of this is accelerating digital maturity, where rising incomes, greater purchasing power, and widespread digitisation have reshaped consumer preferences toward convenience-first, digital services.

The Urban-Nuclear Shift

Rapid urbanization, coupled with the "nuclearization" of families, has created smaller, high-density households that demand higher efficiency and organized supply chains for daily essentials.

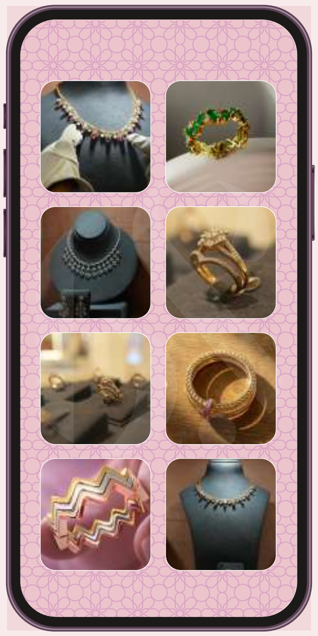
These trends collectively indicate that India's retail and consumer markets are no longer just growing in volume; they are maturing in complexity. For consumer companies, investors, and policymakers, this represents a pivot toward a consumption-led growth engine that is increasingly resilient to external global trade fluctuations.

Industry Outlook

The evolving Indian retail markets

India is set to become a global retail powerhouse, with the market projected to grow from approximately USD 976 billion (₹83 trillion) in 2024 to USD 1.57 trillion (₹134 trillion) by 2029, outpacing developed economies like the US, UK, and China. As the market matures, growth is increasingly driven by discretionary categories, enabled by the Indian consumer's evolving preference for omnichannel shopping, digital payment solutions, and sustainable and ethically sourced products. At the same time, with 82% of the market still led by unorganised general trade, there remains a substantial and largely untapped opportunity in rural and Tier 3+ urban areas, where rising disposable incomes and urbanisation are systematically converting consumers toward organised, value-added retail channels.

Key Growth Enablers in the Retail Industry



- Increasing internet and smartphone penetration
- Rise in income and purchasing power
- Adoption of digital payment and cashless transactions
- Easy consumer credit and an increasing in quality products
- Changing consumer preferences, need for personalisation, and convenience
- Brand consciousness and aspirations
- Favourable Demographics: young, urbanising and expanding middle class
- Technology, AI and presentation
- Increase presentation of E-commerce in Tier 2 and Tier 3 cities
- Expansion of retail formats and omnichannel retalling

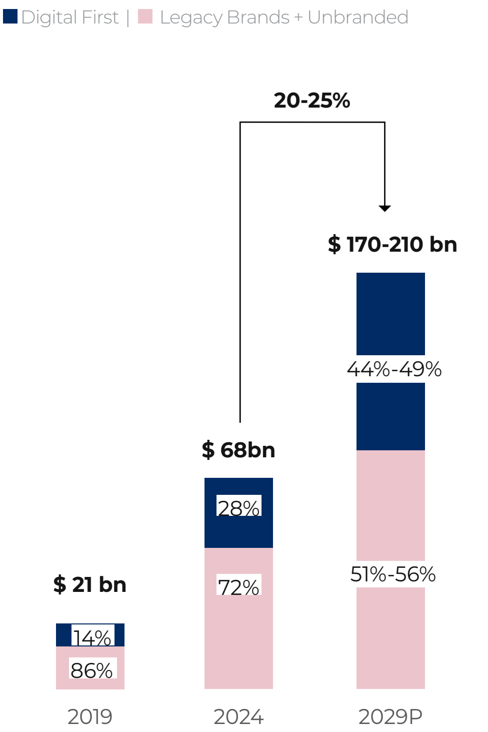
E-commerce & Omni-channel: Retail's Most Resilient and Fastest-Growing Vertical

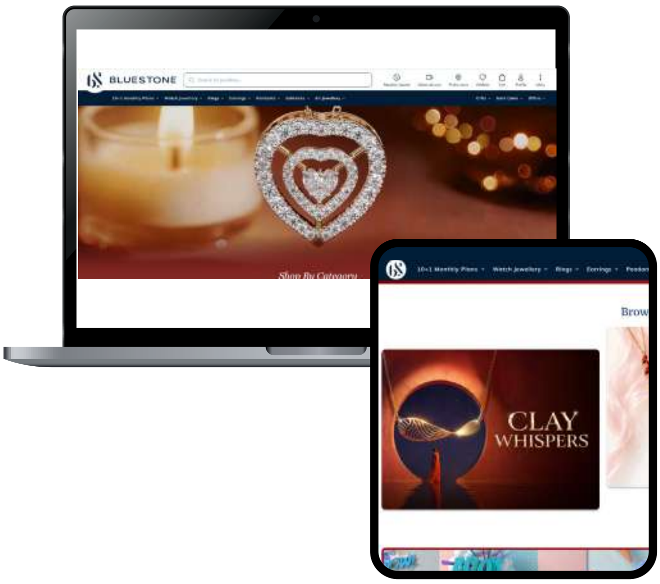
India's e-commerce market is set to expand at a 20–25% CAGR through 2029. Digital channels have moved well beyond being a transactional medium; they now serve as the primary point of product discovery and customer engagement. Social media and targeted digital advertising have become the dominant touchpoints for consumer awareness, necessitating seamless technology integration across all retail operations. This shift has opened a significant window for digital-first brands to grow rapidly and build durable consumer relationships at scale.

India e-commerce is set to expand at a 20%-25% CAGR through 2029 per industry research reports. Digital channels have moved from being a mere sales channel to now serving as a primary point of discovery & customer engagement. Social media and targeted digital advertising have become the dominant touchpoints for customer awareness, necessitating seamless technology integration in all retail operations. This has opened window for digital-first brands to grow rapidly.

The modern Indian consumer no longer distinguishes between online and offline. The omnichannel approach of blending digital research with physical experience has become critical, particularly for high-ticket categories like jewellery. Integrating data across channels enables real-time inventory management, reduces stockouts, and improves inventory turnover. This data-led approach also increases the success rate of new store openings and shortens breakeven periods. The future of Indian retail lies in a symbiotic relationship between digital awareness and physical trust, where a direct-to-consumer ethos and integrated omnichannel presence drive higher conversion rates, deeper brand credibility, and lasting consumer loyalty.

Split of E-commerce in India by brand type





Jewellery landscape in India

7%
of GDP

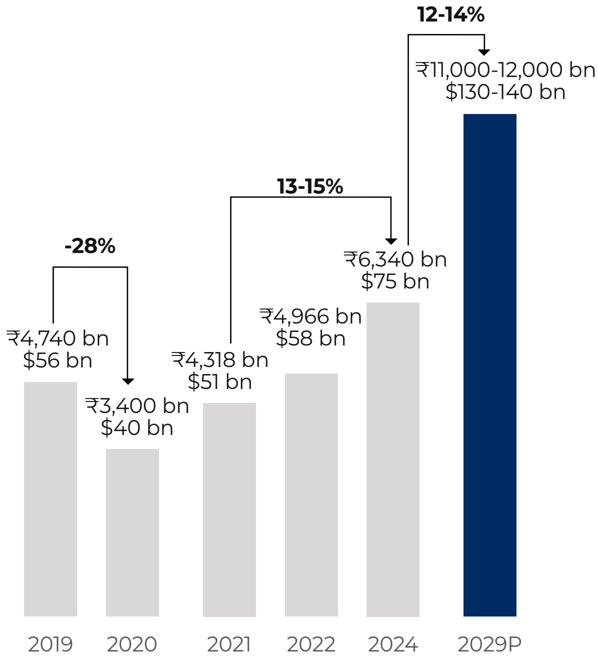
Employing
5 million

The Indian gems and jewellery industry is a vital contributor to the nation's economy, both as a consumption-driven domestic sector and as an export-oriented manufacturing hub, contributing approximately **7% of GDP** and **employing nearly 5 million people.** The Government has supported the sector through a range of enabling measures, including reduction in customs duty, 100% FDI permission under the automatic route, mandatory hallmarking, and broader formalisation initiatives. With these tailwinds, the industry is projected to grow to USD 130-140 billion by FY29.

Despite its scale, the industry remains highly fragmented and steeped in tradition, dominated by small and medium enterprises. A large portion of consumers continues to purchase from family-led jewellers characterised by limited product range, opaque pricing, high transaction costs, and inconsistent purity standards. However, over the last decade, the market has undergone a meaningful structural shift, driven by demographic change, evolving consumer behaviour, and government regulations designed to formalise the sector.

Country	Market Size 2024 INR Billion	CAGR (2021-2024)	CAGR (2024-2029)
	6,340	13-15%	12-14%
	10,400	2-4%	4-6%
	6,100	1-2%	2-4%

Indian Jewellery Market



Strategic Catalysts: Drivers of the Indian Jewellery Industry

The Indian jewellery sector is undergoing a structural transformation, moving from a traditional commodity-based market to a high-growth, fashion-forward industry. This transition is powered by a convergence of demand-side shifts and supply-side modernisation.

Demand-Side Drivers: : The Consumer Evolution from

"Occasional Buyer" to "Lifestyle Consumer"

On the demand side, rising affluence is reshaping the nature of jewellery consumption. As the middle class sees expanding discretionary income, gold retains its appeal as a preferred wealth hedge, with a 1% increase in GNI per capita historically correlating to a 0.9% rise in gold demand. Simultaneously, younger urban consumers are decoupling jewellery from weddings, driving a visible shift from pure gold toward diamonds and studded metals that reflect global fashion sensibilities and daily-wear versatility. Financially Independent Women have emerged as primary purchase decision-makers, with female participation in household jewellery decisions rising to 88.7%, supported by easier credit access and a view of jewellery as a tool for personal expression. Cultural and global fusion is also reshaping preferences, as Western clothing influences drive demand for diamond-studded designs that complement contemporary wardrobes while retaining India's deep emotional bond with heritage.

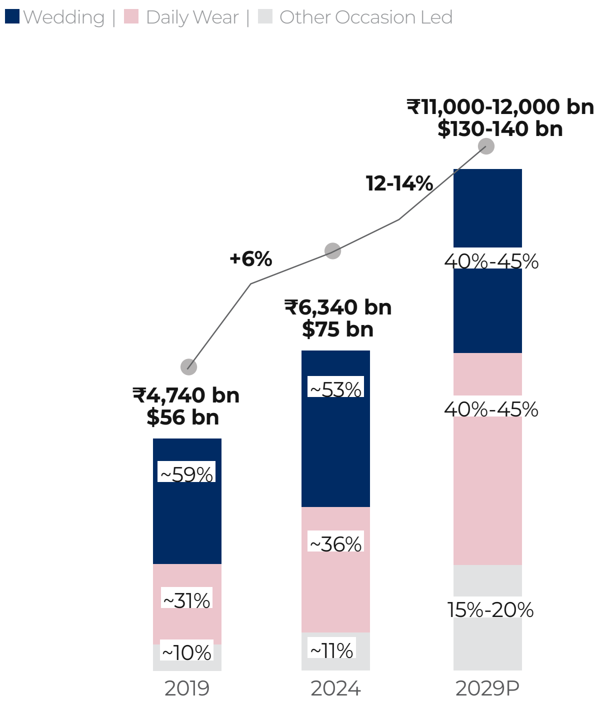
Supply-Side Drivers: Ecosystem Modernisation

On the supply side, government intervention and manufacturing prowess are formalising the industry and de-risking the value chain. Mandatory BIS hallmarking and 100% FDI under the automatic route have professionalised the sector, boosting both global investment and local consumer confidence. The Gold Metal Loan (GML) scheme has transformed working capital management for manufacturers, allowing them to borrow physical metal at lower interest rates of 2–3% rather than cash, thereby mitigating price volatility and maintaining steady production cycles. India's global manufacturing leadership remains anchored in its karigar (artisan) ecosystem, where centuries-old craftsmanship is being integrated with modern skill-development initiatives to meet global quality standards.

Market Segmentation and Dynamics: Navigating a USD 75 Billion Industry

The Indian jewellery market is a highly heterogeneous landscape, evolving rapidly from traditional investment-grade gold to design-led lifestyle accessories. Understanding this market requires examining it across five strategic axes: region, occasion, product type, metal type, and city tier.

Split of Indian jewellery market by occasion



Wedding-Wear

Deeply cultural; accounts for 25-30% of total wedding budgets.

53% (USD 40Bn)
Market Share 2024

6-9% Projected CAGR (2024-29)

Daily Wear

Driven by working Women and urban youth; high online influence.

36% (USD 27Bn)
Market Share 2024

15-18% Projected CAGR (2024-29)

Occasion Led

Festivals, birthdays, and gifts; highest margins due to studded.

11% (USD 8Bn)
Market Share 2024

18-21% Projected CAGR (2024-29)

Regional dynamics reveal a market with distinct pockets of preference.

Southern India currently dominates 41% of total demand, with a strong preference for 22k/24k temple and antique designs in plain yellow gold. Northern and Western India show a higher propensity for lightweight studded jewellery. Across all regions, however, there is a universal rise in demand for daily-wear and occasion-led designs, a segment where BlueStone's omnichannel presence provides a distinct competitive advantage in brand visibility.

The market is also shifting meaningfully in terms of occasion and consumer profile.

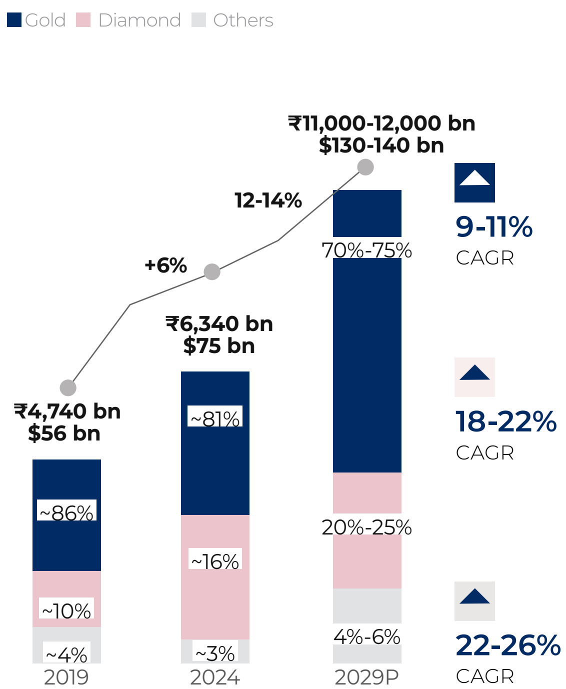
Wedding jewellery remains the largest segment by volume, but daily-wear and occasion-led categories are the true growth engines. Young urban buyers increasingly view jewellery as a fashion accessory rather than a static status symbol, which has led to a decline in gold's share from 87% to 81% in favour of diamonds and 14k/18k gold. Rising Female labour participation is driving demand for minimalist, Western-style pieces such as rings, chains, and earrings, that offer practical elegance for everyday wear. Category depth continues to diversify, with the product assortment varying significantly by occasion: daily-wear and occasion-led pieces are dominated by lighter-weight items such as earrings, rings, and chains.

The broader shift from unorganised to organised retailing is not merely a change in market share; it is a fundamental re-engineering of the value chain.

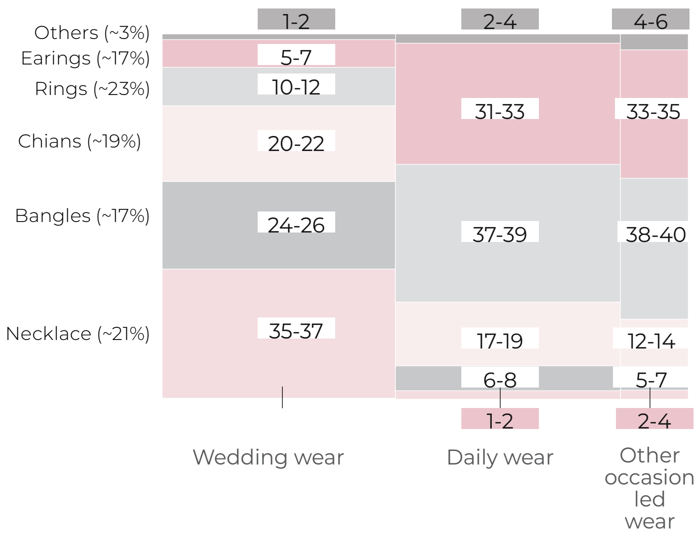
Historically, the sector has been held back by systemic inefficiencies: reliance on imports for gold and gemstones, domination by small-scale informal manufacturers with limited access to credit and technology, and a significant trust and accessibility gap with consumers. Government reforms, including mandatory BIS hallmarking, PAN card requirements, and GST mandates, are raising the bar for informal operators. A more informed, digitally savvy demographic is now seeking the reliability, design innovation, and transparent practices offered by organised national and omnichannel brands.

Rising preference of non-gold jewellery:

Driven by a move toward casual and contemporary aesthetics, the market share of pure gold is softening, as consumer preferences are migrating from traditional gold to diamonds and alternative materials. This shift reflects a fundamental evolution in the consumer mindset, transitioning jewellery from a static "savings asset" to a dynamic "style statement."

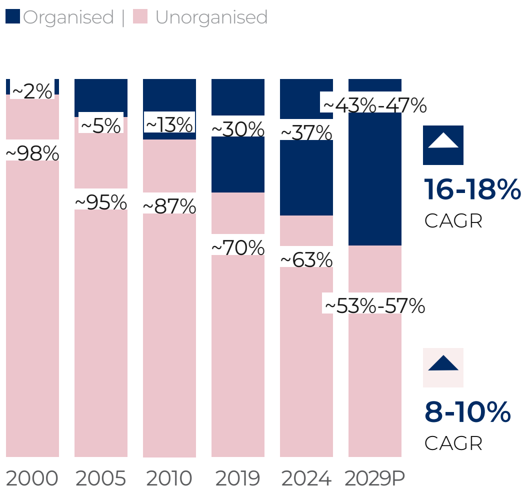


Indian jewellery market by product type and occasion (In %)



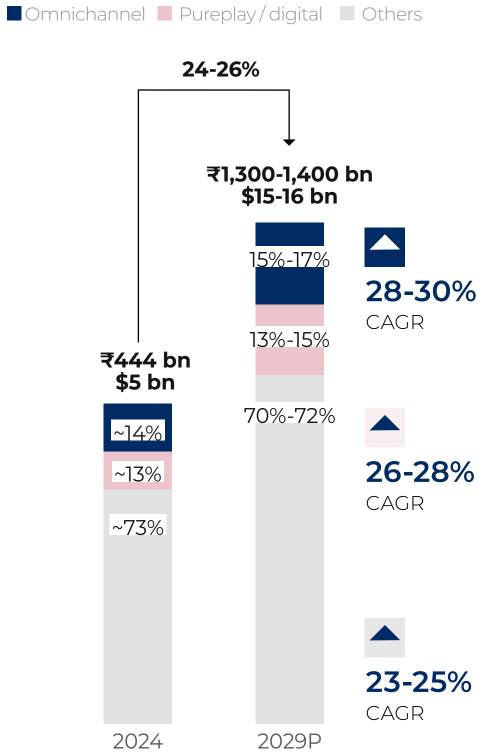
The Omnichannel Model in Jewellery: Complexity, Technology, and Benefits

Online channels have fundamentally de-risked the high-value jewellery purchase by empowering consumers with the ability to discover, compare, and personalise before committing. Online research now routinely precedes the physical store visit, with consumers seamlessly transitioning between touchpoints: researching designs online, comparing prices across platforms, then confirming availability before visiting a store. For brands, maintaining accurate, live inventory data is no longer optional; it is a prerequisite for driving store conversions.



Building a true omnichannel experience in jewellery is significantly harder than in most other retail sectors. The complexity of SKU Management, the high-value nature of the goods, and the need for consistent service standards across touchpoints create substantial operational demands. Coordinating inventory, production, and delivery to provide a unified, real-time view requires a sophisticated technology stack that most regional or traditional players lack. For the online interface specifically, a high-fidelity digital experience is not a luxury; it is a requirement. Customers need to view products from multiple angles with microscopic detail before committing to a high-value purchase.

The Branded shift: A more informed, digitally savvy demographic is increasingly seeking the reliability and service standards offered by organized national and omnichannel brands. Further, branded players are leading the way by capitalizing on their design superiority and transparent practices.



When executed well, the omnichannel model delivers a multi-dimensional boost to operational and financial performance. Physical stores serve as experience centres that convert online interest into high-value sales, while digital channels dismantle geographical barriers and reach a national audience. Performance marketing allows for targeted, one-on-one engagement at a fraction of the cost of traditional campaigns, significantly improving return on investment and customer lifetime value. Real-time tracking across all channels optimises stock levels and streamlines logistics.

Limitation of Pureplay

Higher Returns

Online jewellery retailers often experience higher return rates compared to other online products. Customers might order multiple pieces to compare size and style, leading to a higher volume of returns and related costs.

Need for touch and feel

Accurately portraying jewellery pieces' intricacies, sparkle, and dimensions through online photographs and videos can be difficult, leading to hesitation in buying online

Trust Deficit

Jewellery is a high-value, emotionally driven purchase. Without the physical interaction of a brick-and-mortar store, online retailers could struggle to build trust and brand recognition with potential customers.

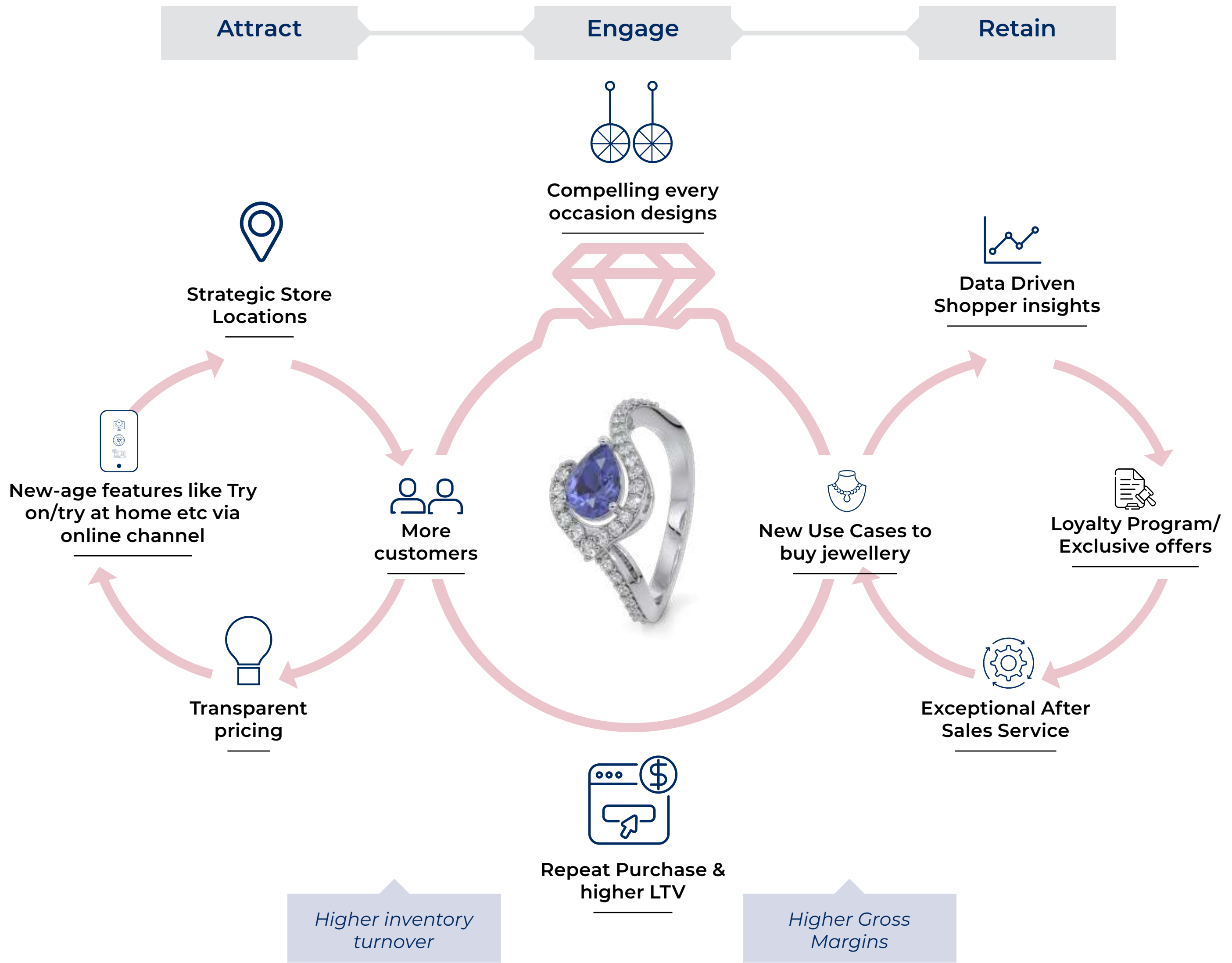
Lack of Assisted Buying

Building rapport and providing personalised customer service can be more challenging in a purely online environment. Customers also require in-person assistant for a high value items like jewellery which pureplay online players are unable to provide.

Competition from Established Brands

Many established jewellery brands are now offering a strong online presence alongside their brick-and-mortar stores. These brands leverage their existing brand recognition compete effectively with pure-play online reatailers.

Although online penetration in Indian jewellery currently trails global averages, it is poised for an inflection point. By blending technological innovation with personalised engagement, the omnichannel model prioritises trust and operational efficiency in equal measure. As the market trends toward a 55–60% share for daily-wear and occasion-wear by 2029, the industry winners will be those who can marry the trust of traditional jewellery with the trend and technology demanded by the modern, omnichannel consumer.



Industry data has been sourced from Redseer industry research report

Company Overview

About BlueStone – Jewellery's omni channel powerhouse

BlueStone Jewellery & Lifestyle Limited is a digital-first, Direct-to-Consumer jewellery brand that has redefined how modern India buys jewellery. As the second-largest digital-first omnichannel jewellery brand in India (as per RedSeer report), the Company has successfully evolved from a pioneering online platform into an integrated online-offline ecosystem.

BlueStone's competitive position is built on a design-first philosophy. In a market shifting toward discretionary and lifestyle-led consumption, the company prioritizes design innovation over metal value. Its in-house team of over 25 designers works directly with manufacturing to launch frequent, trend-aligned collections, supported by a library of over 15,000 active designs spanning across gold, diamond, gemstone, and platinum. This design depth ensures the catalogue remains relevant to the evolving preferences of the modern Indian consumer.

The Company has moved beyond multi-channel selling to build a true omnichannel model, one that delivers a unified brand experience across every touchpoint. As of 31st March, 2026 BlueStone's retail network spans 340 stores across 134 cities, backed by a robust digital presence through its website and mobile applications. Store locations are selected through a data-led strategy that has consistently optimized payback periods and delivered strong success rates across both premium mall and high-street formats. This integrated approach drives high-intent footfall from digital discovery to physical experience centres.

At its core, BlueStone operates as a technology company that manufactures jewellery. Its proprietary systems unify design, manufacturing, and retail operations, enabling real-time data analytics, personalized customer engagement, and leaner inventory management. Vertical integration eliminates third-party dependencies and has given BlueStone the fastest design-to-shelf turnaround time among India's leading jewellery retailers, a meaningful advantage in capitalizing on fashion cycles.

BlueStone has carved out a clear brand identity around "Designer Everyday Luxury," for customers who value authenticity, transparent pricing, and self-expression. Its stores function as consultative experience centres rather than transactional points of sale, offering a personalized and intimate purchase journey. A presence spanning metros and Tier 2+ cities ensure the Company captures both urban demand and the emerging growth story in smaller markets.

By controlling the entire value chain, from digital discovery to in-store experience, BlueStone is positioned to lead the institutionalization of India's jewellery market. Its model directly addresses the long-standing industry challenges of trust and transparency, while delivering the design-led innovation that the modern Indian consumer increasingly demands.

Second largest digital-first jewellery brand in India offering on omnichannel retail experience

In-house technology architecture diving end-to-end business operations

Advanced manufacturing capabilities with vertically integrated operations

Pan-India presence across Tier-I, Tier-II and Tier-III cities with healthy unit economics

Differentiated approach to product & design

Strengths

Performance Review

Standalone Financials

Amount in Millions

Particulars	F.Y. 2026	F.Y. 2025	Growth %
Revenue from Operations	**24,412.30**	17,700.02	37.9%
EBITDA	**3,944.55**	758.85	419.8%
EBITDA Margin (%)	**16.16%**	4.29%	1,187 bps
PAT / (Loss)	**260.00**	(2,192.14)	NM

Consolidated Financials

Amount in Millions

Particulars	F.Y. 2026	F.Y. 2025	Growth %
Revenue from Operations	**24,364.24**	17,700.02	37.7%
EBITDA	**3,839.41**	731.63	424.8%
EBITDA Margin (%)	**15.76%**	4.13%	1,162 bps
PAT / (Loss)	**131.79**	(2,218.37)	NM

Key Highlights

1. **Strong, broad-based topline growth** – Revenue from operations grew by 37.9% and 37.7% on standalone and consolidated basis, reflecting the continued scaling of the Company's omnichannel network and expanding category presence across price-points, with a sharpened focus at the entry level. Growth was broad-based, supported by both new store addition and healthy SSSGs across cohorts.

   Same-store sales growth for the year reflected the resilience of the underlying model, notwithstanding a period of significant gold price escalation that dislocated merchandise—particularly at the entry level—across the industry during the year. The Company's vertically integrated model enabled a rapid response, including the redesign and re-population of the entry-level portfolio, the benefits of which began to reflect in the latter part of the year and are expected to flow through into FY27.

2. **Expansion of retail footprint** – Our distribution footprint expanded to 340 stores across 134 cities as at 31st March 2026, with 65 new store additions during the year, reflecting both breadth (new cities) and depth (higher store density in existing markets). The expansion was balanced between new and existing geographies and malls vs high-street formats.

3. **Operating leverage coming through** – The Company demonstrated meaningful operating leverage during the year. On a standalone level, reported EBITDA rose to ₹3,945 million in FY26, a growth of 419.8% over the prior year, with the corresponding margin improvement of 1187 bps. This improvement was driven primarily by store vintage and productivity gains on a largely fixed cost base, complemented by common cost efficiencies across corporate overheads and advertising and marketing spends as revenue scaled.

   Advertising and marketing costs were contained at 6.6% of sales in FY26, as against 9.0% in FY25, reflecting the Company's ability to drive growth without a proportionate increase in tactical marketing spends—supported by a strong share of repeat revenue. We believe the fixed cost base remains only partially leveraged, leaving headroom for further operating margin expansion over the medium term.

4. **Decisive turnaround to profitability** – Reflecting the operating leverage described above, the Company reported PAT of ₹260 million in FY26, a significant turnaround from a loss of ₹2,192 million in FY25. The reported profitability continues to absorb certain non-cash charges. ESOP expense for FY26 was ₹927 million; this charge has been front-loaded under the current grant cycle and is expected to decline materially from FY27 onwards, with the reduction flowing through to reported EBITDA and PAT in subsequent years.

5. **Strengthened balance sheet** – The balance sheet strengthened significantly during the year, aided by the successful completion of IPO and improving internal accruals. Net debt reduced to ₹3,469 million as at 31st March 2026 from ₹6,171 million a year earlier. Return on Capital Employed turned positive at 8.6%, as against (4.7)% in FY25, reflecting both the return to profitability and more efficient capital deployment. The increase in net worth and reduction in debt levels versus previous year are signs of a strong balance sheet.

6. **A robust foundation for the next phase of growth** - The Company's net worth was materially augmented during the year following the equity raised through the IPO, providing a strong and well-capitalized Balance Sheet to support the Company's growth ambitions. Beyond the reported financials, we continue to invest in the long-term equity of the BlueStone brand—through our design-led, "jewellery for the wardrobe" positioning, deepening omni-channel consumer engagement, and a growing base of loyal, repeat customers. A high repeat revenue ratio and an expanding lifetime customer base of over 9.4 lakh customers underscores the strength of the franchise, which we regard as a key intangible asset and a durable source of competitive advantage.

Opportunities

1 Shift from unorganized to organized retail

The Indian jewellery market is rapidly formalizing. BlueStone is positioned to capture market share from traditional, unorganized family jewelers as consumers increasingly demand transparency, hallmarking, and brand trust.

2 Digital-First Consumer Behavior

With high smartphone penetration, more consumers "browse online" before buying. BlueStone's digital-first DNA allows them to capture top-of-funnel interest through their website and app.

3 Rising Demand for Lifestyle, Daily & Occasion wear Jewellery

Unlike traditional players focused on heavy wedding jewellery, BlueStone capitalizes on the growing segment of daily & occasion -wear and self-purchase jewellery. This category is growing at nearly double the rate of the overall market (15–18% CAGR) as younger, urban consumers view jewellery as a fashion accessory rather than just a financial asset.

4 Expansion in Underpenetrated Cities

Tier-II and Tier-III cities are seeing increased disposable income and evolving tastes but remain underserved by branded jewellery players.

5 Omni-channel Retailing

BlueStone has built a truly digital-first jewellery retail model, where online discovery meets offline trust. Customers are acquired through our strong digital presence and then engaged through physical stores and services like video consultations. This integrated approach not only offers a seamless shopping experience but also optimizes inventory and capital efficiency, making omni-channel our core competitive edge.

6 Fast evolving fashion trends and price volatility

In a volatile gold price environment, there is a massive opportunity to capture budget-conscious consumers. BlueStone's vertically integrated operations and manufacturing capabilities allows us to redesign and reinvent to capture lower price points still using premium designs much faster than industry average.

Threats

Economic conditions

The jewellery industry is highly sensitive to broader economic conditions. While economic stability and growth typically leads to higher disposable incomes and increased consumer spending power, which boost jewellery sales; economic downturns can lead to reduced discretionary spending, directly impacting jewellery demand. High interest rates raise the cost of borrowing for both jewellers and consumers, making it more expensive to finance operations and purchases. Furthermore, investors may shift their preferences to financial instruments with better returns, diminishing the appeal of gold and jewellery as investments.

Price Volatility in Precious Metals and Gemstones

Fluctuations in gold and diamond prices can impact both input costs and consumer demand as high prices lead to postponed or cancelled purchases and consumers may opt for lighter or less expensive pieces.

Intensifying Competition

National jewellery chains, regional brands, and emerging D2C players are all vying for market share. Aggressive pricing, promotional campaigns, and expansion by competitors can compress margins and limit customer acquisition.

Changing Consumer Preferences

A fast-evolving fashion landscape requires constant product innovation. Delays in anticipating or responding to design trends could affect sales.

Outlook

Store Network Expansion

The company plans to significantly increase its retail footprint in F.Y. 2027, with a strategic focus on driving both density and expanding geographical footprint across tiers. In addition, we have also opened two dedicated stores to Men's and Kids category in the year as this remains a largely underserved category in the country. We see healthy traction in such formats will continue to expand in this domain as well.

Product Portfolio Diversification

Beyond our core daily and occasion-wear lines, we aim to scale our product portfolio across sub-categories, price points and materials applying our modern, design-led aesthetic to meet diverse cultural preferences across India. This evolution will allow us to capture the entire customer lifecycle, ensuring BlueStone remains the preferred jeweller as our patrons' tastes and requirements mature over time.

Deeper Omni-channel Integration

Further integration of online and offline channels will enable seamless inventory visibility, virtual design consultations, and personalized marketing, enhancing the customer journey and conversion rates.

Brand investments

We view advertising and marketing not merely as an acquisition cost, but as a strategic investment in long-term brand equity. We will continue to scale our presence across digital and traditional media to ensure BlueStone remains the "top-of-mind" destination for the modern jewellery consumer. Through high-impact campaigns and premium storytelling, we will continue to distinguish ourselves from traditional retailers, positioning BlueStone as a contemporary lifestyle brand rather than a purely transactional jeweler.

Operational Efficiencies

Continued investment in supply chain technology, vendor partnerships, and design automation will reduce costs and improve margins as operating leverage continues to flow through as scale expands.

Details of Significant Changes in Key Financial Ratios (changes of 25% or more as compared to the immediately previous Financial Year):

Ratios	As at 31 March 2026	As at 31 March 2025	YoY change %	Explanation for the variance
Current Ratio	**1.66**	1.24	34%	Movement due to increase in current assets during the year.
Debt to equity	**0.92**	1.67	(45%)	Movement due to increase in share capital (fresh issue) during the year.
Debt service coverage ratio	**0.14**	(0.01)	NA	Movement due to profitability during the current year.
Return on Equity Ratio	**1.9%**	(34.05%)	NA	Movement due to increase in equity and profitability during the current year.
Inventory Turnover Ratio	**0.65**	0.83	(22%)	NA - as the variance is less than 25%
Trade receivables turnover ratio	**372.59**	443.48	-16%	NA - as the variance is less than 25%
Trade payables turnover ratio	**11.03**	7.82	41%	Movement on account of decrease in trade payables
Net Capital Turnover Ratio	**2.68**	10.99	(76%)	Movement on account of increase in revenue and inventory
Net Profit Ratio	**1.07%**	(12.38%)	NA	Movement due to increase in revenue and profitability in current year
Return on Capital Employed	**11.20%**	(0.95%)	NA	Movement on account of profitability and increase in capital employed
Return on Investment	**0.53%**	(6.20%)	NA	Movement on account of profitability

Basis standalone financials reporting

Risks and Concerns

BlueStone operates in a dynamic business environment where multiple internal and external factors can influence performance. One key risk is the dependency for sourcing raw materials such as gold, diamonds, and gemstones, as well as for certain manufacturing processes. Any disruption in supply or deterioration in quality could delay production and affect customer satisfaction. The Company is therefore expanding its vendor base and strengthening long-term relationships to ensure business continuity.

R1 Supply chain and sourcing dependency

Our operational efficiency is closely tied to the consistent availability of high-quality raw materials, including gold, diamonds, and gemstones. Any disruption in the supply chain or a drop in material quality could lead to production delays and diminished customer satisfaction. We are actively diversifying our vendor base and fostering long-term strategic partnerships to ensure business continuity and maintain stringent quality standards.

R2 Evolving trends

The industry is subject to immense volatility and needs to keep pace with evolving global and regional fashion trends & adoption of new materials/components such as LGDs. The risk pertains to its impact on the sales and growth of our product portfolio. We actively monitor industry and fashion trends. We ensure our catalogue of products is refreshed regularly to keep up with the trends. Furthermore, we have a Subsidiary Ethereal House Private Limited which operates in lab grown diamonds.

R3 Regulatory & Compliance Volatility

The jewellery sector is subject to frequent and significant regulatory shifts. Changes in import duties, hallmarking mandates, foreign trade policies, and GST structures can abruptly alter cost bases and necessitate changes in pricing strategies. BlueStone actively monitors policy developments and engages with industry associations to adapt swiftly.

R4 Commodity Price Fluctuations

Our cost structure is highly sensitive to the global market prices of precious metals and gemstones. Sharp volatility in gold and diamond prices, driven by global economic trends, impacts consumer affordability, increases working capital requirements, and may compress margins. We employ prudent sourcing and inventory management practices, coupled with dynamic hedging models, to protect us against extreme price movements.

R5 Macroeconomic volatility

Events such as inflation spikes, currency depreciation, or geopolitical disruptions can weaken consumer sentiment, especially for high-value discretionary categories like jewellery.

R6 Intensifying Competitive Landscape

The Indian jewellery market is witnessing aggressive expansion from national chains, regional players, and new D2C entrants. increased competition in pricing, aggressive promotions, and higher marketing spend by peers can escalate customer acquisition costs (CAC) and exert pressure on profitability. Our focus remains on design-led differentiation and a superior, tech-integrated customer experience to maintain brand loyalty and a competitive edge.

R7 Seasonality

Jewellery consumption in India is deeply rooted in cultural cycles, with peak demand occurring during festive and wedding seasons. We are strategically expanding our non-seasonal portfolios, such as "Everyday Wear" and gifting collections, to stabilize demand and revenue streams throughout the year. Further, our demand and production planning considers the seasonality of the business, and our manufacturing facilities have sufficient capacity available to cater to seasonal spikes.

R8 Cybersecurity and Data Privacy

With its strong digital and omni-channel presence, BlueStone handles large volumes of customer data and financial transactions, making cybersecurity and data privacy critical concerns. Any breach could result in operational disruption, legal liabilities, and reputational damage. Robust security protocols and continuous monitoring help mitigate these risks.

Internal Control Systems and Adequacy

BlueStone has established a comprehensive internal control framework designed to safeguard assets, ensure the accuracy and reliability of financial reporting, and promote operational efficiency. These controls are aligned with industry's best practices and statutory requirements under the Companies Act, 2013.

01 **Structured policies and procedures -** All key operational and financial processes are governed by documented standard operating procedures, ensuring uniformity and compliance across the organization.

02 **Technology enabled monitoring -** The company's ERP and POS systems integrate inventory, sales, procurement, and accounting, enabling real-time monitoring and reducing the scope for manual errors.

03 **Independent Internal Audit function -** A dedicated Internal Audit Team, supplemented by external audit firms where required, conducts periodic reviews of processes and transactions, with findings reported directly to the Audit Committee of the Board.

04 **Risk Management Framework -** The internal control environment is linked to BlueStone's risk management framework, ensuring that high-risk areas, including inventory handling, vendor management, and cybersecurity, receive enhanced oversight.

05 **Management oversight -** Monthly management reviews monitor business performance, control adherence, and key risk indicators, with variances promptly investigated and corrective actions implemented.

06 **Board-level Governance -** At the board level, the Audit Committee provides strategic oversight, reviews audit reports, and monitors the implementation of recommendations, reinforcing accountability at the highest level.

The Board believes that these internal controls are adequate and commensurate with the size, scale, and complexity of BlueStone's operations, and they are continually enhanced to adapt to business growth and technological advancement.

Human Resources

BlueStone's human capital is one of its most critical assets, given the highly customer-facing and design-led nature of the jewellery business. The company places strong emphasis on attracting, retaining, and developing talent across its retail, corporate, and manufacturing operations.

01 **Workforce Composition** - As of 31st March 2026 BlueStone employed 2,576 full-time employees, including store managers, sales associates, jewellery consultants, designers, merchandisers, manufacturing specialists, and corporate staff.

02 **Organization Structure** - The organization has been structured to remain nimble with right incentive structures to strengthen accountability, improve strategic alignment, and create a scalable operating model for growth.

03 **Training & Development** - Employees undergo structured training modules covering product knowledge, design trends, customer engagement, technology tools, and compliance requirements. Store staff receive ongoing training on product, consultative selling and personalized service delivery.

04 **Performance Management** - Performance is managed through a transparent, outcome-linked appraisal system that ties individual and team goals to business results, with incentives aligned to key metrics such as sales conversion rates, customer satisfaction scores, and inventory management efficiency.

05 **Culture and Engagement** - BlueStone promotes a collaborative, inclusive culture that encourages creativity and innovation. Town halls, feedback sessions, and cross-functional projects foster employee engagement and a sense of ownership.

06 **Diversity & Inclusion** - The workforce reflects diversity across gender, age, and background, with women contributing approximately 39% of total headcount. Initiatives are in place to encourage greater female representation in leadership roles and to provide flexible working arrangements where applicable, underpinned by a no-discrimination policy across all aspects of business operations.

07 **Employee Wellbeing**- Employee wellbeing is an integral part of the HR strategy, encompassing health and wellness benefits, counselling services, caretaker support, and a strong focus on safe and hygienic work environments. The company recognises that employee satisfaction directly shapes the customer experience.

08 **Talent Retention** - On talent retention, disciplined churn management, stronger pre-hire selection, and competitive performance-linked compensation (including ESOPs) are improving talent density and reducing attrition rates, while active investment in high-performing individuals builds the leadership pipeline from within.

BlueStone views its people as brand ambassadors who shape the customer experience, and continues to invest significantly in their professional growth, workplace satisfaction, and long-term career development.

Independent Auditor's Report

To the Members of BlueStone Jewellery Lifestyle Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **BlueStone Jewellery Lifestyle Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards 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, of the state of affairs of the Company as at March 31, 2026, and its profit (including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company 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 standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1	**Revenue Recognition – refer note 2.2.7 and 25 of the standalone financial statement** The revenue of the Company consists primarily of sale of jewellery products from multiple operating models, including owned retail outlets, online sales, and franchisee business. Revenue recognition under these models involves varying terms and conditions relating to pricing, discounts, returns, incentives, loyalty programmes, and timing of transfer of control.	Our audit procedures in respect of this area included among others the following: • Evaluated the design and implementation of financial controls and tested their operating effectiveness with respect to revenue recognition process. This evaluation includes test of IT general controls and key application controls over the IT system which impact revenue recognition. • Tested the accuracy of retail revenue recorded during the year by examining that the sale of goods transactions are in agreement with the cash/credit card/online receipts and deposit of cash amounts recorded in daily cash reports with bank remittances, on sample basis.

KEY AUDIT MATTERS (Contd.)

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
	The Company processes a high volume of transactions on a daily basis across multiple systems and locations, primarily with retail customers, which increases the risk of errors in recording revenue due to system configuration issues, manual interventions, or data integrity challenges. Further, the assessment of appropriate timing of revenue recognition and completeness of revenue recorded involves significant reliance on IT systems and controls. Given the quantitative significance of revenue to the standalone financial statements, the complexity arising from multiple business models, and the inherent risk of material misstatement due to error or fraud, revenue recognition was considered a key audit matter.	• Performed substantive testing for samples of revenue transactions by inspecting relevant underlying documents including sale invoices. • Performed cash counts, on a test check basis, at selected stores and examined whether the cash balances are in agreement with the cash receipts reported in the daily collection report. • Tested credit notes issued to retail customers and franchisee partners on sample basis pertaining to sales returns during the year and subsequent to the year end. • Tested sales transactions on a test check basis on sales made immediately pre and post year-end, agreed the period of revenue recognition to the underlying documents. • Assessed the appropriateness of the accounting policy for revenue recognition as per relevant accounting standard. • Ensured the adequacy and appropriateness of disclosures in the standalone financial statements in accordance with the requirements of Ind AS 115.
2.	**Existence of inventory – refer note 2.2.5 and 11 of the standalone financial statements** The Company's inventory comprises precious metals, gemstones, and jewellery items crafted from gold, diamonds, and other gemstones, held across multiple locations including manufacturing units and retail outlets. Such inventory is high-value, portable in nature, and consists of a large variety of individual items with varying purity, weight, quality, and design characteristics. The existence of inventory is subject to inherent risk due to factors such as susceptibility to theft, loss, damage, and human error in handling or recording, particularly given the decentralised storage and frequent movement of goods between locations. In addition, the verification of inventory existence requires reliance on physical counts, specialised identification procedures, and robust internal controls, including segregation of duties and secure custody arrangements.	Our audit procedures in respect of this area included among others the following: • Evaluated the design and operating effectiveness of internal controls relating to inventory existence, including controls over physical verification, stock movement approvals, periodic reconciliations, and management oversight. • Attended physical inventory counts at selected locations, including retail outlets and manufacturing facilities, and observing management's counting procedures. • Performed independent test counts, including verification of item descriptions, gross weight, net weight, purity, and unique identification numbers, and reconciling physical quantities to inventory records. • Obtained independent confirmations for inventory held with job workers as of the year end. • Performed cut-off testing around the reporting date to assess whether inventory movements were recorded in the appropriate accounting period.

KEY AUDIT MATTERS (Contd.)

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
	Given the materiality of inventory balances to the standalone financial statements, the judgement involved in verifying physical existence, and the audit effort required due to the nature of inventory, existence of inventory was considered a key audit matter.	• Obtain the records of physical verification and inventory reconciliation performed by the management as at the year end.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report and Management Discussion and Analysis Report, but does not include the standalone financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and the Board of Directors of the Company are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Management and the Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

We give in **"Annexure A"** a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that (i) in case of an accounting software that is part of books of accounts, in the absence of sufficient appropriate audit evidence we are unable to comment whether back-up of the books of account and other books and papers maintained in electronic mode, have been kept in servers physically located in India on a daily basis, (ii) in case of another accounting software that is part of books of accounts, in the absence of adequate coverage in SOC report, we are unable to comment whether back-up of the books of account and other books and papers maintained in electronic mode, is maintained on a daily basis, as explained in Note 49 to the standalone financial statements and except for the matters stated in paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

    (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the standalone financial statements.

    (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

    (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).

    (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure C"**.

    (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company does not have any pending litigations which would impact its financial position.

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

        iii. There are no amounts which are required to be transferred to the

Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

iv. a. To the best of our knowledge and belief, as disclosed in the note 47(iv) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. To the best of our knowledge and belief, as disclosed in the note 47(v) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. a. Based on our examination which included test checks, the Company has used certain accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the software except as follows:

i. no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes as explained in Note 48 to the standalone financial statements.

ii. we are unable to comment on audit trail at database level in respect of an accounting software due to absence adequate coverage in SOC report as explained in Note 48 to the standalone financial statements.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting softwares. Also, during the course of our audit and considering SOC report, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior years, where applicable, has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

b. Based on our examination which included test checks, the Company has used certain accounting softwares for maintaining its books of accounts for processing of payroll (upto July

16, 2025) and processing of leases, which is managed and maintained by a third-party software service provider as explained in note 48 to the standalone financial statements. However, in absence of sufficient and appropriate audit evidence including SOC report, we are unable to comment whether these accounting softwares has a feature of recording audit trail (edit log) facility and whether the same has operated throughout the year for all relevant transactions recorded in the software or whether there is any instance of audit trail feature being tampered with. Additionally, we are unable to comment whether the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention prescribed under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

3. In our opinion, according to information, explanations given to us, the remuneration paid or provided by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Ankush Agrawal
Partner
Membership No.: 159694
UDIN: 26159694FBQAUO4774

Place: Bangalore
Date: April 23, 2026

"Annexure A"

To the Independent Auditor's Report of even date on the Standalone Financial Statements of BlueStone jewellery and lifestyle limited

Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone 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 and Board of Directors.

- Conclude on the appropriateness of Management and Board of Director'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 Company'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 standalone 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Ankush Agrawal
Partner
Membership No.: 159694
UDIN: 26159694FBQAUO4774

Place: Bangalore
Date: April 23, 2026

"Annexure B"

To Independent Auditors' Report of even date on the Standalone Financial Statements of BlueStone jewellery and lifestyle limited for the year ended march 31, 2026.

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.

B The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, plant and equipment and right of use assets were physically verified by the management according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of property, plant and equipment and right of use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the provisions stated under clause 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The inventory (excluding stocks with third parties and stocks-in-transit) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them and in respect of goods in transit, the goods have been received subsequent to the year end. No discrepancies were noticed in respect of such confirmations. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During any point of time of the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores rupees, in aggregate from Banks and financial institutions, on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, quarterly statements filed with such Banks are in agreement with the books of accounts of the Company Refer note 18 to the standalone financial statements. Further, according to the information and explanations given to us we understand that such filing of quarterly returns is not required for the loans taken from financial institutions.

iii. (a) According to the information and explanation provided to us, the Company has not provided guarantees or security or granted any loans or advances in nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. During the year, the Company has made investment in a subsidiary company amounting to ₹ 252.00 million (refer note 7 of the standalone financial statements). The Company has not made investment in firms, limited liability partnership or any other parties during the year.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made and terms and conditions in relation to investments made are not prejudicial to the interest of the Company. The Company has not provided any loan or provided any advances in the nature of loans or any security or given any guarantee.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not provided any loan or any advances in the nature of loans. Accordingly, the provisions stated under clause 3(iii)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not provided any loan or any advances in the nature of loans. Accordingly, the provisions stated under clause 3(iii)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not provided any loan or any advances in the nature of loans. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the Company.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not provided any loan or any advances in the nature of loans. Accordingly, the provisions stated under clause 3(iii)(f) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Act. In respect of the investments made by the Company, the provision of Section 186 of the Act have been complied with.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.

vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products/services of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records examined by us, there are no dues relating to goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. Refer Note 18 to the standalone financial statements.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiary and associate.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary or associate company. Accordingly, the requirement to report under Clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanations given to us, monies raised during the year by the Company by way of initial public offer were applied for the purpose for which they were raised, though idle funds which were not required for immediate utilization have been invested in bank deposits as explained in note 53. The maximum amount of idle funds invested during the year was ₹ 6,100.00 million, of which ₹ 500 million was outstanding at the end of the year.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.

(b) During the year no report under Section 143(12) of the Act, has been filed by secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing, and extent of audit procedures.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi) (b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.

(d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, Company has not incurred cash losses during the current financial year but has incurred cash losses amounting to ₹ 236.29 million during the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 42 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx According to the information and explanations given to us and based on our verification, provisions of Section 135 of the Act, are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Ankush Agrawal
Partner
Membership No.: 159694
UDIN: 26159694FBQAUO4774

Place: Bangalore
Date: April 23, 2026

Annexure C

To the Independent Auditor's Report of even date on the Standalone Financial Statements of BlueStone jewellery and lifestyle limited

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of BlueStone Jewellery and Lifestyle Limited on the Standalone Financial Statements for the year ended March 31, 2026]

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

OPINION

We have audited the internal financial controls with reference to standalone financial statements of BlueStone Jewellery and Lifestyle Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Ankush Agrawal
Partner
Membership No.: 159694
UDIN: 26159694FBQAUO4774

Place: Bangalore
Date: April 23, 2026

(All amounts are in INR million unless otherwise stated)

Standalone Balance Sheet

As at 31 March 2026

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
Assets			
Non-current assets			
Property, plant and equipment	**3**	2,638.59	2,659.82
Right-of-use assets	**4**	8,430.31	7,430.33
Capital work-in-progress	**5**	26.02	43.57
Other intangible assets	**6a**	25.62	36.74
Intangible asset under development	**6b**	-	10.28
Financial assets			
i) Investments	**7**	524.98	272.98
ii) Other financial assets	**8**	727.65	2,120.42
Non-current tax assets (net)	**9**	98.68	117.47
Other non-current assets	**10**	1,732.36	1,515.60
Total non-current assets		**14,204.21**	**14,207.21**
Current assets			
Inventories	**11**	26,516.51	16,525.47
Financial assets			
i) Investments	**12**	436.14	508.35
ii) Trade receivables	**13**	74.98	56.06
iii) Cash and cash equivalents	**14**	960.81	430.57
iv) Bank balances other than (iii) above	**15**	4,041.46	1,341.18
v) Other financial assets	**8**	3,015.07	1,932.73
Other current assets	**10**	237.91	344.60
Total current assets		**35,282.88**	**21,138.96**
Total assets		**49,487.09**	**35,346.17**
Equity and liabilities			
Equity			
Equity share capital	**16**	152.23	296.56
Share application money pending allotment		0.02	-
Other equity	**17**	18,031.85	8,836.88
Total equity		**18,184.10**	**9,133.44**
Non-current liabilities			
Financial liabilities			
i) Borrowings	**18**	2,010.58	1,972.83
ii) Lease liabilities	**19**	8,010.95	7,051.07
iii) Other financial liabilities	**20**	30.82	143.31
Provisions	**21**	50.68	35.44
Total non-current liabilities		**10,103.03**	**9,202.65**
Current liabilities			
Financial liabilities			
i) Borrowings	**18**	5,432.65	5,313.35
ii) Gold on loan	**22**	2,848.14	3,865.53
iii) Lease liabilities	**19**	1,307.34	943.06
iv) Trade payables	**23**		
(a) Total outstanding dues of micro enterprises and small enterprises		399.25	282.97
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,160.11	1,364.21
v) Other financial liabilities	**20**	2,420.88	2,348.79
Provisions	**21**	36.68	28.46
Other current liabilities	**24**	7,594.91	2,863.71
Total current liabilities		**21,199.96**	**17,010.08**
Total liabilities		**31,302.99**	**26,212.73**
Total equity and liabilities		**49,487.09**	**35,346.17**

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm registration number: 105047W/W101187

For and on behalf of Board of directors of
BlueStone Jewellery and Lifestyle Limited

Ankush Agrawal
Partner
Membership No: 159694

Place: Bangalore
Date: 23 April 2026

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 23 April 2026

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 23 April 2026

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 23 April 2026

Paras Shah
Company Secretary
Membership No: 30357

Place: Bangalore
Date: 23 April 2026

(All amounts are in INR million unless otherwise stated)

Standalone Statement of Profit and Loss

For the year ended 31 March 2026

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	**25**	24,412.30	17,700.02
Other income	**26**	491.81	599.18
Total income		**24,904.11**	**18,299.20**
Expenses			
Cost of materials consumed	**27**	22,042.90	17,215.35
Change in inventories of finished goods, work-in-progress and stock-in-trade	**28**	(8,039.58)	(6,230.46)
Employee benefits expense	**29**	2,786.94	2,022.43
Finance costs	**30**	2,095.18	2,075.42
Depreciation and amortization expense	**31**	2,081.18	1,474.75
Other expenses	**32**	3,677.49	3,933.85
Total expenses		**24,644.11**	**20,491.34**
Profit/(Loss) before tax		**260.00**	**(2,192.14)**
Tax expenses:			
Current tax	**34**	-	-
Deferred tax	**34**	-	-
Total tax expenses		**-**	**-**
Profit/(Loss) for the year	**A**	**260.00**	**(2,192.14)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
i. Re-measurement of employee defined benefit plans	**33**	(0.23)	(8.10)
ii. Income tax on (i) above	**34**	-	-
Other comprehensive loss for the year, net of tax	**B**	**(0.23)**	**(8.10)**
Total comprehensive income/(loss) for the year	**A+B**	**259.77**	**(2,200.24)**
Earnings per share (in ₹) (Nominal value of ₹ 1 each)			
Basic	**36**	2.18	(78.86)
Diluted	**36**	2.07	(78.86)

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm registration number: 105047W/W101187

For and on behalf of Board of directors of
BlueStone Jewellery and Lifestyle Limited

Ankush Agrawal
Partner
Membership No: 159694

Place: Bangalore
Date: 23 April 2026

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 23 April 2026

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 23 April 2026

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 23 April 2026

Paras Shah
Company Secretary
Membership No: 30357

Place: Bangalore
Date: 23 April 2026

(All amounts are in INR million unless otherwise stated)

Standalone Statement of Cash Flows

For the year ended 31 March 2026

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
A. Cash flows from operating activities		
Profit/(Loss) before tax	**260.00**	**(2,192.14)**
Adjustments for non cash items and other adjustments:		
Depreciation and amortisation	2,081.18	1,474.75
Expense on employee stock option scheme	926.51	512.39
Finance costs	2,052.78	2,038.10
Interest income	(352.59)	(350.63)
Loss on sale of property, plant and equipment (net)	31.05	19.48
Rent waiver on lease liabilities	-	(3.88)
Gain on mutual fund	(30.31)	(39.31)
Liabilities no longer required written back	(67.12)	(95.16)
Gain on termination of lease	(15.75)	(10.84)
Fair value loss/(gain) on call option in subsidiary	33.94	(52.16)
Intangible asset under development written off	10.28	-
Unwinding of interest on financial assets carried at amortised cost	(34.77)	(28.22)
Operating profit before working capital changes	**4,895.20**	**1,272.38**
Working capital adjustments:		
(Increase)/Decrease in other financial assets	(287.62)	218.19
Increase in other assets	(113.04)	(722.78)
Increase in inventories	(9,991.04)	(6,613.26)
Decrease in loans	-	0.39
Increase in trade receivables	(18.92)	(32.29)
Decrease in other financial liabilities	(41.39)	(547.42)
Increase in provisions	23.23	1.35
Decrease in gold on loan	(1,017.39)	(559.08)
Decrease in trade payables	(20.70)	(425.15)
Increase in other current liabilities	4,817.74	840.40
Cash used in operations	**(1,753.93)**	**(6,567.27)**
Income tax paid (net)	18.79	(81.14)
Net cash used in operating activities (A)	**(1,735.14)**	**(6,648.41)**
B. Cash flows from investing activities		
Acquisition of property, plant and equipment (including capital work-in-progress and capital advances)	(957.78)	(1,630.82)
Proceeds from sale of property, plant and equipment	221.92	7.80
Acquisition of intangible assets	(3.33)	(38.96)
Payment for acquisition of subsidiary	(252.00)	(167.98)
Payment for acquisition of associate	-	(105.00)
Investment in fixed deposits	(17,054.73)	(6,016.55)
Redemption of fixed deposits	14,888.50	7,141.32
Investment in mutual funds	(1,104.50)	(3,395.00)
Redemption of mutual funds	1,207.02	2,925.96
Interest received on fixed deposits	334.37	369.70
Net cash used in investing activities (B)	**(2,720.53)**	**(909.53)**
C. Cash flows from financing activities		
Proceeds from issue of equity shares (net of IPO expenses)	7,864.37	1,092.97
Share application money pending allotment	0.02	-
Proceeds from issue of preference shares	-	5,978.39
Proceeds from borrowings (Refer note b (i) below)	20,719.58	8,254.26
Repayment of borrowings (Refer note b (i) below)	(20,562.53)	(5,272.34)
Interest paid (Refer note b(i) below)	(1,417.28)	(1,526.95)
Repayment of lease liabilities including interest (Refer note b(ii) below)	(1,618.25)	(1,129.17)
Net cash generated from financing activities (C)	**4,985.91**	**7,397.16**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**530.24**	**(160.78)**
Cash and cash equivalents at the beginning of the year	430.57	591.35
Cash and cash equivalents at the end of the year (Note no. 14)	**960.81**	**430.57**

(All amounts are in INR million unless otherwise stated)

Notes:

(a) Above Cash Flows Statement has been prepared under indirect method in accordance with the Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows".

(b) Reconciliation of movements in liabilities arising from financing activities:

Particulars	01 April 2024	Non cash changes			Cash flows	31 March 2025
		Fair value changes/ Adjustments	Finance cost accrued during the year	Additions (Net)		
i) Borrowings (including interest)	4,297.27	6.99	1,526.95	-	1,454.97	7,286.19
ii) Lease liabilities	4,889.24	(3.88)	509.33	3,728.61	(1,129.17)	7,994.13

Particulars	01 April 2025	Non cash changes			Cash flows	31 March 2026
		Fair value changes/ Adjustments	Finance cost accrued during the year	Additions (Net)		
i) Borrowings (including interest)	7,286.19	-	1,417.28	-	(1,260.23)	7,443.23
ii) Lease liabilities	7,994.13	-	634.50	2,307.91	(1,618.25)	9,318.29

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm registration number: 105047W/W101187

For and on behalf of Board of directors of
BlueStone Jewellery and Lifestyle Limited

Ankush Agrawal
Partner
Membership No: 159694

Place: Bangalore
Date: 23 April 2026

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 23 April 2026

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 23 April 2026

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 23 April 2026

Paras Shah
Company Secretary
Membership No: 30357

Place: Bangalore
Date: 23 April 2026

(All amounts are in INR million unless otherwise stated)

Standalone Statement of Changes in Equity

For the year ended 31 March 2026

A. EQUITY SHARE CAPITAL

Equity shares of INR 1 each, fully paid up

	Note	Number	Amount
As at 01 April 2024		**1,81,51,940**	**18.16**
Changes in equity share capital during the year	**16**	1,70,83,060	17.08
As at 31 March 2025		**3,52,35,000**	**35.24**
Changes in equity share capital during the year	**16**	11,69,96,365	117.00
As at 31 March 2026		**15,22,31,365**	**152.23**

Preference shares of INR 10 each, fully paid up

	Note	Number	Amount
As at 01 April 2024		**2,60,79,102**	**260.78**
Changes in preference share capital during the year	**16**	(9,84,790)	(9.84)
As at 31 March 2025		**2,50,94,312**	**250.94**
Changes in preference share capital during the year	**16**	(2,50,94,312)	(250.94)
As at 31 March 2026		**-**	**-**

Preference shares of INR 1 each, fully paid up

	Note	Number	Amount
As at 01 April 2024		**-**	**-**
Changes in preference share capital during the year	**16**	1,03,80,622	10.38
As at 31 March 2025		**1,03,80,622**	**10.38**
Changes in preference share capital during the year	**16**	(1,03,80,622)	(10.38)
As at 31 March 2026		**-**	**-**
Total Share capital as at 31 March 2025		**7,07,09,934.00**	**296.56**
Total Share capital as at 31 March 2026		**15,22,31,365.00**	**152.23**

(All amounts are in INR million unless otherwise stated)

B. OTHER EQUITY

Particulars	Reserves and surplus			Other comprehensive income	Total
	Securities Premium	Retained earnings	Share options outstanding account	Re-measurement of (gain)/loss	
As at 31 March 2024	**25,221.43**	**(22,325.48)**	**553.00**	**13.82**	**3,462.77**
Loss for the year	-	(2,192.14)	-	-	(2,192.14)
Other comprehensive income (net of tax)	-	-	-	(8.10)	(8.10)
Premium received on issue of shares (net of expenses)	7,214.09	-	-	-	7,214.09
Options granted during the year (net of exercised)	-	-	344.48	-	344.48
Conversion of compulsorily convertible preference shares to Equity (Refer note 16c)	8.86	-	-	-	8.86
Conversion of optionally convertible redeemable preference shares to equity (Refer note 16c)	6.92	-	-	-	6.92
	7,229.87	**(2,192.14)**	**344.48**	**(8.10)**	**5,374.11**
As at 31 March 2025	**32,451.30**	**(24,517.62)**	**897.48**	**5.72**	**8,836.88**
Profit for the year	-	260.00	-	-	260.00
Other comprehensive income (net of tax)	-	-	-	(0.23)	(0.23)
Premium received on issue of shares (net of expenses)	8,027.22	-	-	-	8,027.22
Options granted during the year (net of exercised)	-	-	746.88	-	746.88
Conversion of compulsorily convertible preference shares to Equity (Refer note 16c)	161.10	-	-	-	161.10
	8,188.32	**260.00**	**746.88**	**(0.23)**	**9,194.97**
As at 31 March 2026	**40,639.62**	**(24,257.62)**	**1,644.36**	**5.49**	**18,031.85**

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm registration number: 105047W/W101187

For and on behalf of Board of directors of
BlueStone Jewellery and Lifestyle Limited

Ankush Agrawal
Partner
Membership No: 159694

Place: Bangalore
Date: 23 April 2026

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 23 April 2026

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 23 April 2026

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 23 April 2026

Paras Shah
Company Secretary
Membership No: 30357

Place: Bangalore
Date: 23 April 2026

Notes to the Standalone Financial Statements

For the year ended 31 March 2026

1. GENERAL INFORMATION

BlueStone Jewellery and Lifestyle Limited is a public company domiciled in India, with its registered office in Bangalore. The Company has been incorporated under the provisions of the Indian Companies Act and its equity shares are listed on the National Stock Exchange (NSE) and BSE Ltd. in India.

The Company engaged in business of design, manufacture and sale of fine jewellery.

2. BASIS OF PREPARATION, USE OF ESTIMATES, ASSUMPTIONS & JUDGEMENTS AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation and use of estimates, assumptions & judgements

(i) Overall consideration

These standalone financial statements have been prepared on going concern basis using the material accounting policies and measurement bases summarised below.

These accounting policies have been used consistently throughout all periods presented in the Standalone Financial Statements, unless otherwise stated.

These standalone financial statements were authorised for issue by the Company's Board of Directors as on 23 April 2026.

(ii) Compliance with Ind AS

The standalone financial statements comply in all material aspects with the Indian Accounting standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 read with section 133 of the Companies Act 2013 ('the Act') and other relevant provisions of the Act. The Company's standalone financial statement consistently apply uniform accounting policies across all periods.

These financial statements were authorised for issue by the Company's Board of Directors as on 23 April 2026.

(iii) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the “functional currency”). The standalone financial statements are presented in Indian Rupee ("₹" or "INR"), which is Company's functional and presentation currency and is rounded-off to the nearest million except when otherwise indicated.

(iv) Basis of Measurement

These standalone financial statements have been prepared on an accrual basis under the historical cost convention except for the following assets and liabilities which have been measured at fair value:

a) Certain financial assets and liabilities (including derivative instruments).

b) The defined benefit asset/(liability) is recognised as the present value of defined benefit obligation less fair value of plan assets.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

(v) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of assets or liability fall into different levels of fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the

Notes to the Standalone Financial Statements

For the year ended 31 March 2026

fair value hierarchy as the lowest level input that is significant to the entire measurement.

(vi) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet 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 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 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 Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(vii) Use of estimates, assumptions and judgements

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates, assumptions and judgement are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual result may differ from these estimates.

Estimates and assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ended 31 March 2026 is included in the following notes:

a) Note 2.2.11 - Estimation of current tax/deferred tax expenses and payable.

b) Note 2.2.8 - Estimation of defined benefit obligation.

c) Note 2.2.1 - Estimation of useful lives, residual values of property, plant & equipment.

d) Note 2.2.10 - Fair value measurement of financial instruments.

e) Note 2.2.4 - Leases - Whether an arrangement contains a lease.

f) Note 2.2.9 - Fair value of employee stock option plans.

g) Note 2.2.3 - Impairment testing of property, plant & equipment and Right-to-use assets.

h) Note 50 - Estimation of fair value of call option.

i) Note 2.2.10 - Derivative instruments in designated hedge accounting relationship.

2.2 Material accounting policies

2.2.1 Property, plant and equipment (PPE) and depreciation

The cost of any item of PPE shall be recognised as an asset only if it is probable that future economic benefit associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price/acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly

Notes to the Standalone Financial Statements

For the year ended 31 March 2026

attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use.

Subsequent expenditure on property, plant and equipment after its purchase/completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Advance paid towards acquisition of PPE outstanding at each balance sheet date is disclosed as capital advances under non-current assets.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the standalone statement of profit or loss. Capital work-in-progress comprises the cost of assets that are not ready for their intended use at the balance sheet date.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

The Company identifies and determines cost of each component/part of property, plant and equipment separately, if the component/part has a cost which is significant to the total cost of the property, plant and equipment and has useful life that is materially different from that of the remaining asset. Leasehold improvements are amortized over the estimated useful life of the asset or the lease period whichever is less.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of Property, plant and equipment and intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment and are recognized in the standalone statement of profit and loss when the property, plant and equipment is derecognized.

Depreciation methods, estimated useful lives and residual value.

Depreciation is calculated using the straight line method to allocate their cost over the useful lives of assets which is as follows:

Asset category	Management estimate of useful life	Useful life as per Schedule II
Leasehold improvements	5 years	5 to 10 years
Display items	2 years	2 years
Plant and machinery	15 years	10 to 15 years
Furniture and fixtures	10 years	10 years
Office equipment	5 years	5 years
Computers	3 years	3 years
Vehicles	5 years	8 years

Depreciation for assets purchased/sold during the year is proportionally charged.

The residual value, useful life and the methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimate of useful life as given above best represent the period over which management expects to use these assets. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method as appropriate, and are treated as changes in accounting estimates.

2.2.2 Other intangible assets and amortization

a) Intangible assets acquired separately are measured on initial recognition at cost. Subsequent expenditure is capitalised only when it increases the future economic benefits attributable to the asset will flow to the Company and the cost of asset can be measured reliably.

All other expenditure is recognised in profit or loss as incurred.

Intangible assets are subsequently stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective estimated useful lives on a straight line basis, from the date that they are available for use.

b) Internally generated assets

Expenditure on research activities are recognised in the statement of profit and loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the assets. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses.

c) Amortization

Amortization is calculated to write off the cost of intangible asset less their estimated residual values over their estimated lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

Asset	Useful life
Application software	3 years

2.2.3 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, 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 group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet for possible reversal of an impairment loss recognized for an asset, in prior accounting periods.

2.2.4 Leases

The Company's lease asset classes primarily consist of leases for certain stores facilities under non-cancellable lease arrangements. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases). For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The Company 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 and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rate. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.2.5 Inventories

Inventories (other than quantities of gold for which the price is yet to be determined with the suppliers (Unfixed gold) or where hedge contracts have been entered into for quantities of gold and accounted for as fair value hedge) are stated at the lower of cost and net realisable value. Cost is determined as follows:

a) Gold is valued on First-in-First-out basis.

b) Raw materials are valued at weighted average rate except Solitaires which is valued on specific identification basis.

c) Work-in-progress and finished goods (other than gold) are valued at weighted average cost of production.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recoverable by the Company), freight inwards and other expenditure directly attributable to acquisition. Work in progress and finished goods include appropriate proportion of overheads.

Unfixed gold is valued at the provisional gold price prevailing on the period closing date.

Net realisable value represents the estimated selling price for inventories less estimated costs of completion and costs necessary to make the sale.

2.2.6 Foreign currency transactions

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

As at the reporting date, foreign currency monetary items are translated using the closing rate and non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange gains and losses arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in the Statement of Profit or Loss in the year in which they arise.

2.2.7 Revenue recognition

(a) Sale of goods:

The Company maintains both physical stores and an online platform for business with its customers. The mode of operation in case of physical stores include Franchise owned & Company operated stores, Company owned & Company operated stores. The Company recognizes revenue when the control of goods being sold is transferred to the customer and when there are no longer any unfulfilled obligations.

The Company acts as the principal in its revenue arrangements and the franchisees qualify as agents, since it typically controls the goods or services before transferring them to the customer.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, right of return and other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

For contracts that permit the customer to return an item, revenue is recognised to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods assets are recognised. The right to recover returned goods asset is measured after reducing the average gross margin from the estimated refund liability. The refund liability is included in other current liability (note 24) and right to recover returned goods is included in other current assets (note 10). The Company reviews its estimate of expected returns at each reporting date and updates the amounts of the assets and liability accordingly.

(b) Sale of services:

Income from services rendered is recognized based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

(c) Interest income:

Interest income is recognized on a time proportion basis, taking into account the amount outstanding and the rate applicable.

(d) Gift vouchers:

The amount collected on sale of a gift voucher is recognized as a liability and recognised as revenue on redemption by the customers or is transferred to other income on expiry as per the policy.

2.2.8 Employee benefits

(i) Short-term obligations

All short-term employee benefits such as salaries, wages, bonus, compensated absences and other benefits which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits are recognised on an undiscounted basis and charged to the statement of profit and loss.

A liability is recognised for the amount expected to be paid to employees, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

a) defined contribution plans - provident fund.

b) defined benefit plans - gratuity plans.

a) Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

b) Defined benefit plans

For defined benefit plans in the form of gratuity (unfunded), the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026

2.2.9 Share based payments

Employees of the Company receive remuneration in the form of employee option plan of the Company (equity settled instruments) for rendering services over a defined vesting period. Equity instruments granted to the employees of the Company are measured by reference to the fair value of the instrument at the date of grant. The expense is recognised in the statement of profit and loss with a corresponding increase in equity (stock options outstanding account). The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation). At the end of each period, the Company revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit and loss, with a corresponding adjustment to equity. The stock option compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

The cost of the share based payments is determined by the fair value at the date when the grant is made using the Black-Scholes Model. The expected term of an option is estimated based on the vesting term and contractual life of the option. Expected volatility during the expected term of the option is based on the historical volatility of similar companies. Risk free interest rates are based on the government securities yield in effect at the time of the grant.

2.2.10 Financial Instruments

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. Financial instruments are recognised in the Company’s balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognized immediately in the Statement of Profit and Loss.

a) Financial Assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables are initially measured at transaction price.

(ii) Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

1. Financial assets carried at amortised cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset 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.

2. Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

3. Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iii) Investment in Subsidiaries and Associates

Investment in subsidiaries and associate is measured at cost less provision for impairment.

(iv) Impairment of financial assets

The Company generally operates on a cash and carry model except in the case of franchisee partners where there are adequate controls in place, and hence the expected credit loss allowance for trade receivables is insignificant. The concentration of credit risk is also limited due to the fact that the customer base is large and unrelated.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026

(v) Derecognition of financial assets

A financial asset is derecognised only when the Company:

- has transferred the rights to receive cash flows from the financial asset; or

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are initially measured at fair value, net of directly attributable transaction costs. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

i. **Financial liabilities at fair value through profit or loss** - Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Compulsorily convertible preference shares and optionally convertible redeemable preference shares are designated and measured at FVTPL on initial recognition if they meet the definition of a liability as per Ind AS 32.

ii. **Financial liabilities at amortised cost (Borrowings)** - After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. 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 EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) Derecognition

A financial liability is derecognised when the Company's obligations are discharged or cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

c) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

d) Derivative financial instruments

The Company has adopted fair value hedge for the derivative contracts entered into and designated derivative contracts or non-derivative financial liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in commodity prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss with an adjustment to the carrying value of the hedged item. Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

The Company designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item i.e. fixed gold inventory due to movement in gold prices. The Company also designated the borrowings pertaining to gold on loan taken from banks ('unfixed gold') as a fair

Notes to the Standalone Financial Statements

For the year ended 31 March 2026

value hedge to the corresponding gold inventory purchased on loan.

2.2.11 Income tax

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax. It is recognised in the Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, the tax is also recognised in OCI or directly in equity.

(i) Current tax

Current tax comprises the expected tax payable or refund receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or refund receivable after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

2.2.12 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

2.2.13 Contingent Liabilities

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.2.14 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash on hand, amount at banks and other short-term deposits with an original maturity of three months or less that are readily convertible to known amount of cash and, which are subject to an insignificant risk of changes in value.

2.2.15 Cash flow statement

Cash flows are reported using the indirect method, 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 are segregated.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026

2.2.16 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM'). The Board of Directors of the Company assesses the financial performance and position of the Company. The Managing Director has been identified as the CODM. The Company operates in one segment only i.e. Jewellery. The CODM evaluates the Company's performance based on the revenue and operating income from the sale of Jewellery. Accordingly, no additional segment disclosure has been made for the business segment.

In terms of geographical segment, since the Company operates only in India, there is only one geographical segment, i.e. India. Accordingly, no additional disclosure has been made for geographical segment information.

2.2.17 Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit/(loss) attributable to the shareholders of the Company.
- by the weighted average number of equity shares outstanding during the financial year, adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares), bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.2.18 Application of new accounting pronouncements

A) New and amended standards adopted by the Company:

The Ministry of corporate Affairs ("MCA") notified amendments on 7 May 2025 and 13 August 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025.

Amendment to Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

a) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

b) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.

c) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the standalone financial statements of the Company. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

B) New standards or amendments not yet effective:

Amendment to Ind AS 1 ‘Presentation of Financial Statements’- Classification of Liabilities as current or non-current and non-current liabilities with covenants:

The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Company does not expect this amendment to have an impact on its operations or standalone financial statements.

(All amounts are in INR million unless otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Leasehold improvements	Display Items	Plant and machinery	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Cost								
Balance as at 1 April 2024	**434.85**	**26.72**	**82.62**	**284.37**	**727.03**	**106.53**	**14.53**	**1,676.65**
Additions	874.91	-	220.39	349.50	396.58	50.24	2.52	1,894.14
Disposals	31.17	26.72	-	4.41	6.72	0.08	-	69.10
Balance as at 31 March 2025	**1,278.59**	**-**	**303.01**	**629.46**	**1,116.89**	**156.69**	**17.05**	**3,501.69**
Balance as at 1 April 2025	**1,278.59**	**-**	**303.01**	**629.46**	**1,116.89**	**156.69**	**17.05**	**3,501.69**
Additions	448.14	-	47.07	132.89	234.73	29.14	10.05	902.02
Disposals	28.57	-	6.09	142.31	165.68	0.11	-	342.76
Balance as at 31 March 2026	**1,698.16**	**-**	**343.99**	**620.04**	**1,185.94**	**185.72**	**27.10**	**4,060.95**
Accumulated depreciation								
Balance as at 1 April 2024	**135.40**	**24.58**	**11.13**	**36.99**	**176.27**	**51.51**	**2.52**	**438.40**
Depreciation expense for the year	156.15	-	14.13	46.74	183.70	41.33	3.24	445.29
Disposals*	14.83	24.58	-	0.44	1.98	0.00	-	41.82
Balance as at 31 March 2025	**276.72**	**-**	**25.26**	**83.29**	**358.00**	**92.84**	**5.76**	**841.87**
Balance as at 1 April 2025	**276.72**	**-**	**25.26**	**83.29**	**358.00**	**92.84**	**5.76**	**841.87**
Depreciation expense for the year	293.00	-	23.32	70.23	239.06	40.66	4.03	670.30
Disposals	12.63	-	1.26	21.89	53.94	0.09	-	89.81
Balance as at 31 March 2026	**557.09**	**-**	**47.32**	**131.63**	**543.12**	**133.41**	**9.79**	**1,422.36**
Carrying amount (net)								
As at 31 March 2025	**1,001.87**	**-**	**277.75**	**546.17**	**758.89**	**63.85**	**11.29**	**2,659.82**
As at 31 March 2026	**1,141.07**	**-**	**296.67**	**488.41**	**642.82**	**52.31**	**17.31**	**2,638.59**

*Amount less than ₹ 10,000

1. No impairment loss has been recognised during the current year or previous year.
2. No revaluation of property, plant and equipment were carried out during the current or previous year.
3. Refer note no. 46 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

4. LEASES

Lessee has applied a single recognition and measurement approach for all leases and recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

A. Following are the carrying value of right of use assets for the years ended 31 March 2026 and 31 March 2025:

Particulars	Furniture and fixtures	Building	Total
Cost			
Balance as at 1 April 2024	**-**	**6,026.62**	**6,026.62**
Additions*	-	4,059.87	4,059.87
Disposal/adjustments	-	(356.79)	(356.79)
Balance as at 31 March 2025	**-**	**9,729.70**	**9,729.70**
Balance as at 1 April 2025	**-**	**9,729.70**	**9,729.70**
Additions*	270.47	2,299.12	2,569.59
Disposal/adjustments	-	(460.25)	(460.25)
Balance as at 31 March 2026	**270.47**	**11,568.57**	**11,839.04**
Accumulated depreciation			
Accumulated depreciation as at 1 April 2024	**-**	**1,416.26**	**1,416.26**
Charge for the year	-	1,025.33	1,025.33
Deletions	-	(142.22)	(142.22)
Balance as at 31 March 2025	**-**	**2,299.37**	**2,299.37**
Accumulated depreciation as at 1 April 2025	**-**	**2,299.37**	**2,299.37**
Charge for the year	1.21	1,395.22	1,396.43
Deletions	-	(287.07)	(287.07)
Balance as at 31 March 2026	**1.21**	**3,407.52**	**3,408.73**
Net carrying amount as at 31 March 2025	**-**	**7,430.33**	**7,430.33**
Net carrying amount as at 31 March 2026	**269.26**	**8,161.05**	**8,430.31**

*Includes security deposit

B. Following are Lease Liabilities for the year ended 31 March 2026 and 31 March 2025:

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	7,994.13	4,889.24
Additions	2,503.77	3,950.53
Termination	(195.86)	(221.93)
Accretion of interest	634.50	509.33
Payments (including rent concession)	(1,618.25)	(1,133.04)
Closing balance	**9,318.29**	**7,994.13**

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Current	1,307.34	943.06
Non-Current	8,010.95	7,051.07
Total	**9,318.29**	**7,994.13**

Following are the contractual maturities of lease liabilities as at 31 March 2026 and 31 March 2025 on an undiscounted basis:

Particulars	As at 31 March 2026	As at 31 March 2025
Not later than one year	1,950.74	1,507.69
Later than one year but within five years	6,986.76	5,693.58
Later than five years	2,835.29	3,011.94
Total	**11,772.79**	**10,213.21**

C. Following are expenses recognised in Statement of Profit and Loss for the years ended 31 March 2026 and 31 March 2025:

Particulars	As at 31 March 2026	As at 31 March 2025
Depreciation expense on Right of Use asset	1,396.43	1,025.33
Interest expense on lease liabilities	634.50	509.33
Rent expenses related to short term leases	33.07	20.22
Total expense recognised in Statement of Profit and Loss	**2,064.00**	**1,554.88**

- The total cash outlow for leases is ₹ 1,618.25 million for the year ended 31 March 2026 (₹ 1,133.04 million for the year ended 31 March 2025).

- **Additional information on variable lease payment:**

  During the year ended 31 March 2026, the Company has incurred an amount of ₹ 33.07 million (Previous year: 20.22 million) on account of variable lease payments. Variable payment terms ranges from 1.00% to 4.00% of net sales from a particular store. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores in malls. Excess of variable lease payments that depend on sales, over the fixed rental, are recognised in the statement of profit or loss in the period in which the condition that triggers those payments occur.

- **Additional information on extension/termination options:**

  Extension and termination options are included in a number of property lease arrangements of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable based on mutual consent of the Company and respective lessors.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

5. CAPITAL WORK-IN-PROGRESS

Particulars	As at 31 March 2026	As at 31 March 2025
Tangible asset	26.02	43.57
Total	**26.02**	**43.57**

CWIP (tangible) movement:

Particulars	As at 31 March 2026	As at 31 March 2025
As at 1 April 2025	**43.57**	**166.64**
Add: Additions during the year	887.80	1,783.53
Less: Capitalised during the year	905.35	1,906.60
As at 31 March 2026	**26.02**	**43.57**

CWIP (tangible) ageing schedule:

Particulars	As at 31 March 2026	As at 31 March 2025
Projects in progress		
Less than 1 year	26.02	43.57
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Projects temporarily suspended		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**26.02**	**43.57**

- There is no CWIP under development whose completion is overdue or has exceeded its cost compared to the original plan as of 31 March 2026 and 31 March 2025.

6A. OTHER INTANGIBLE ASSETS

Particulars	Application software	Total
Cost		
Balance as at 1 April 2024	**10.32**	**10.32**
Additions	38.96	38.96
Disposals	-	-
Balance as at 31 March 2025	**49.28**	**49.28**

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

6A. OTHER INTANGIBLE ASSETS (Contd.)

Particulars	Application software	Total
Balance as at 1 April 2025	**49.28**	**49.28**
Additions	3.33	3.33
Disposals	-	-
Balance as at 31 March 2026	**52.61**	**52.61**
Accumulated amortization		
Balance as at 1 April 2024	**8.41**	**8.41**
Amortization expense for the year	4.13	4.13
Disposals	-	-
Balance as at 31 March 2025	**12.54**	**12.54**
Balance as at 1 April 2025	**12.54**	**12.54**
Amortization expense for the year	14.45	14.45
Disposals	-	-
Balance as at 31 March 2026	**26.99**	**26.99**
Carrying amount (net)		
Balance as at 31 March 2025	**36.74**	**36.74**
Balance as at 31 March 2026	**25.62**	**25.62**

No revaluation of intangible assets were carried out during the year.

6B. INTANGIBLE ASSET UNDER DEVELOPMENT

Particulars	As at 31 March 2026	As at 31 March 2025
Intangible asset under development	-	10.28
Total	**-**	**10.28**

CWIP (tangible) movement:

Particulars	As at 31 March 2026	As at 31 March 2025
As at 1 April 2025	**10.28**	**-**
Add: Additions during the year	-	36.79
Less: Capitalised/write off during the year	10.28	26.51
As at 31 March 2026	**-**	**10.28**

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

CWIP (intangible asset under development) ageing schedule:

Particulars	As at 31 March 2026	As at 31 March 2025
Projects in progress		
Less than 1 year	-	10.28
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Projects temporarily suspended		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**-**	**10.28**

- There is no CWIP under development whose completion is overdue or has exceeded its cost compared to the original plan as of 31 March 2026 and 31 March 2025.

7. INVESTMENTS (NON-CURRENT)

Particulars	As at 31 March 2026	As at 31 March 2025
INVESTMENT IN EQUITY INSTRUMENTS (Unquoted)		
(at cost unless otherwise stated)		
In Subsidiary		
100 fully paid equity shares of ₹ 10 each in Ethereal House Private Limited (31 March 2025: 100 shares fully paid up)	0.27	0.27
In Associate		
100 fully paid equity shares of ₹ 1 each in Redefine Fashion Private Limited (31 March 2025: 100 shares fully paid up)	0.06	0.06
INVESTMENT IN COMPULSORY CONVERTIBLE PREFERENCE SHARES (CCPS) (Unquoted)		
(at cost unless otherwise stated)		
In Subsidiary		
1,53,739 fully paid CCPS of ₹ 10 each in Ethereal House Private Limited (31 March 2025: 61,567 shares fully paid up)	419.71	167.71
In Associate		
170,526 fully paid CCPS of ₹ 1 each in Redefine Fashion Private Limited (31 March 2025: 170,526 shares fully paid up)	104.94	104.94
Total	**524.98**	**272.98**

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

7. INVESTMENTS (NON-CURRENT) (COntd.)

Particulars	As at 31 March 2026	As at 31 March 2025
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate value of unquoted investments	**524.98**	**272.98**
Aggregate amount of impairment in value of investments	-	-

8. OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current, unsecured, considered good		
Rental and other deposits	617.54	503.35
Margin money deposits *	0.11	0.05
Bank deposits with more than 12 months maturity#	110.00	1,617.02
Total	**727.65**	**2,120.42**

*Represents deposits given as security against bank guarantee.

Includes deposits given as security against gold on loan ₹ 50 million (31 March 2025 - ₹ 1,429.00 million) and deposits given as security against bank overdraft ₹ 60 million (31 March 2025 - ₹ 128.02 million).

Particulars	As at 31 March 2026	As at 31 March 2025
Current, unsecured, considered good		
Rental and other deposits	33.21	30.67
Interest accrued but not due on fixed deposits with banks	28.53	10.31
Bank deposits with maturity of less than 12 months*	2,418.21	1,459.35
Margin money deposits **	1.25	1.25
Deposits with NBFC***	65.30	51.25
Margin money with brokers#	99.60	31.64
Call Option – Subsidiary (Refer note 50)	18.22	52.16
Receivables from franchisee	238.96	290.52
Other receivables	111.79	5.58
Total	**3,015.07**	**1,932.73**

*Includes deposits given as security against gold on loan ₹ 30.32 million (31 March 2025 - ₹ 939.86 million), marked as lien against working capital loan ₹ Nil (31 March 2025 - ₹ 126.00 million) and deposits given as security against bank overdraft ₹ 1,866.64 million (31 March 2025 - ₹ 256.25 million).

**Represents deposits given as security against bank guarantee.

***Represent deposits given as security against working capital loan ₹ 0.55 million (31 March 2025 - ₹ 20.00 million), marked as lien against term loan ₹ 20 million (31 March 2025 - ₹ Nil), marked as lien against Revolving Credit Facility (RCF) ₹ 44.75 million (31 March 2025 - ₹ Nil) and vendor financing ₹ Nil (31 March 2025 - ₹ 31.25 million).

Represent deposits maintained by the Company with brokers for hedging contracts.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

9. NON-CURRENT TAX ASSETS (NET)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance income tax (net of provision for tax - Nil)	98.68	117.47
Total	**98.68**	**117.47**

10. OTHER ASSETS

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current assets, unsecured, considered good		
Balance with Government authorities	1,701.17	1,234.92
Capital advances	31.19	34.16
Goods and service tax refund receivables	-	246.52
Total	**1,732.36**	**1,515.60**

Particulars	As at 31 March 2026	As at 31 March 2025
Current assets, unsecured, considered good		
Advance to suppliers	65.52	58.12
Right to recover returned goods (Refer note below)	66.56	67.67
Prepaid expenses*	86.92	203.53
Other receivables	18.91	15.28
Total	**237.91**	**344.60**

Right to recover returned goods represents the amount of goods expected to be received by the Company on account of sales return.

*The Company has successfully completed its initial public offer ('IPO') of equity shares during the year. IPO related expenses incurred in the previous year aggregating to ₹ 117.08 million were adjusted against the securities premium account in accordance with Section 52 of the Companies Act, 2013 upon completion of the issue. Accordingly, there are no unamortized or prepaid IPO expenses outstanding as at the reporting date.

11. INVENTORIES

Particulars	As at 31 March 2026	As at 31 March 2025
(valued at lower of cost and net realisable value)		
Raw materials	4,230.53	2,291.68
Work-in-progress	8.45	347.86
Finished goods	22,166.65	13,787.66
Packing materials	110.88	98.27
Total	**26,516.51**	**16,525.47**

- Refer note 18 for charge created against inventories.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

12. INVESTMENTS - CURRENT

Particulars	As at 31 March 2026	As at 31 March 2025
Investments in Mutual Funds (at fair value through profit or loss)		
Quoted		
Axis Money Market Fund (2,74,946.69 units)*(31 March 2025: 3,59,017.399 units)	415.77	508.35
TATA Money Market fund (4,042.45 units)*(31 March 2025: Nil)	20.37	-
Total	**436.14**	**508.35**
*A total of 278,989.14 units have been pledged against hedging activities (31 March 2025: 344,174.00 units)		
Aggregate amount of quoted investments	436.14	508.35
Aggregate market value of quoted investments	436.14	508.35

13. TRADE RECEIVABLES

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Unsecured		
Trade receivables - considered good	74.98	56.06
Trade receivables - credit impaired	-	-
	74.98	**56.06**
Less: Provision for expected credit loss	-	-
Total	**74.98**	**56.06**

Refer note 35 for trade receivables due from directors or other officers of the Company either severally or jointly with any other person or firms or private companies in which any director is a partner, a director or a member.

Trade receivables Ageing Schedule

Ageing as at 31 March 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	74.98	-	-	-	-	74.98
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-

Notes to the Standalone Financial Statements

For the year ended 31 March 2026

(All amounts are in INR million unless otherwise stated)

Ageing as at 31 March 2026 (Contd.)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Disputed Trade Receivables–considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**74.98**	**-**	**-**	**-**	**-**	**74.98**

Ageing as at 31 March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	56.06	-	-	-	-	56.06
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables–considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**56.06**	**-**	**-**	**-**	**-**	**56.06**

- There are no trade receivable which are not due.

14. CASH AND BANK BALANCES

Particulars	As at 31 March 2026	As at 31 March 2025
Cash and cash equivalents		
Cash on hand	1.82	0.02
Balances with banks		
- in current accounts	608.99	76.38
- in bank deposits (with original maturity of 3 months or less)#	350.00	354.17
Total cash and cash equivalents	**960.81**	**430.57**

Includes deposits given as security against gold on loan ₹ Nil (31 March 2025 - ₹ 104.17 million).

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

15. OTHER BANK BALANCES

Particulars	As at 31 March 2026	As at 31 March 2025
In bank deposits (with original maturity more than 3 months but less than 12 months)*	3,958.45	995.00
Balances with banks held as margin money**	83.01	346.18
Total other bank balances	**4,041.46**	**1,341.18**

*Includes deposits given as security against gold on loan ₹ 3,458.42 million (31 March 2025 - ₹ 965.00 million) and deposits given as security against bank overdraft ₹ 0.03 million (31 March 2025 - ₹ 30.00 million).

**Represents balance held as margin money against gold on loan ₹ 83.01 million (31 March 2025 - ₹ 346.18 million).

16. SHARE CAPITAL

Particulars	As at 31 March 2026	As at 31 March 2025
Authorized share capital		
Equity shares		
45,05,00,000 (as at 31 March 2025: 16,82,90,700) Equity shares of ₹ 1 each	450.50	168.29
Convertible Preference Shares		
Nil (as at 31 March 2025: 6,09,594) CCPS of Series A of ₹ 10 each	-	6.10
Nil (as at 31 March 2025: 1,86,982) CCPS of Series B of ₹10 each	-	1.87
Nil (as at 31 March 2025: 88,624) CCPS of Series B1 of ₹10 each	-	0.89
Nil (as at 31 March 2025: 13,39,659) CCPS of Series B2 of ₹10 each	-	13.40
Nil (as at 31 March 2025: 1,28,207) CCPS of Series B3 of ₹10 each	-	1.28
Nil (as at 31 March 2025: 14,17,252) CCPS of Series C of ₹10 each	-	14.17
Nil (as at 31 March 2025: 19,80,112) CCPS of Series D of ₹10 each	-	19.80
Nil (as at 31 March 2025: 6,25,000) CCPS of Series D1 of ₹10 each	-	6.25
Nil (as at 31 March 2025: 6,00,000) CCPS of Series D2 of ₹ 10 each	-	6.00
Nil (as at 31 March 2025: 3,00,000) CCPS of Series D3 of ₹10 each	-	3.00
Nil (as at 31 March 2025: 1,69,122) CCPS of Series E of ₹10 each	-	1.69
Nil (as at 31 March 2025: 7,292) OCRPS of Series E1 of ₹10 each	-	0.07

Notes to the Standalone Financial Statements

For the year ended 31 March 2026

(All amounts are in INR million unless otherwise stated)

16. SHARE CAPITAL (Contd.)

Particulars	As at 31 March 2026	As at 31 March 2025
Nil (as at 31 March 2025: 3,95,840) CCPS of Series E2 of ₹10 each	-	3.96
Nil (as at 31 March 2025: 3,23,246) CCPS of Series F of ₹10 each	-	3.23
Nil (as at 31 March 2025: 1,90,00,000) CCPS of Series G of ₹10 each	-	190.00
Nil (as at 31 March 2025: 1,05,00,000) CCPS of Series H of ₹1 each	-	10.50
	450.50	**450.50**
Issued, subscribed and paid-up share capital		
Equity share capital		
15,22,31,365 (as at 31 March 2025: 3,52,35,000) Equity shares of ₹ 1 each, fully paid up	152.23	35.23
	152.23	**35.23**
Equity component of Compulsory Convertible Preference Shares (CCPS)*		
Nil (as at 31 March 2025: 6,09,594) Series A CCPS of ₹ 10 each, fully paid up	-	6.10
Nil (as at 31 March 2025: 1,86,982) Series B CCPS of ₹ 10 each, fully paid up	-	1.87
Nil (as at 31 March 2025: 88,624) Series B1 CCPS of ₹ 10 each, fully paid up	-	0.89
Nil (as at 31 March 2025: 13,39,659) Series B2 CCPS of ₹ 10 each, fully paid up	-	13.40
Nil (as at 31 March 2025: 1,28,207) Series B3 CCPS of ₹ 10 each, fully paid up	-	1.28
Nil (as at 31 March 2025: 14,17,252) Series C CCPS of ₹ 10 each, fully paid up	-	14.17
Nil (as at 31 March 2025: 19,40,933) Series D CCPS of ₹ 10 each, fully paid up	-	19.41
Nil (as at 31 March 2025: 4,16,865) Series D1 CCPS of ₹ 10 each, fully paid up	-	4.17
Nil (as at 31 March 2025: 3,59,257) Series D2 CCPS of ₹ 10 each, fully paid up	-	3.59
Nil (as at 31 March 2025: 1,10,754) Series D3 CCPS of ₹ 10 each, fully paid up	-	1.11
Nil (as at 31 March 2025: 1,69,122) Series E CCPS of ₹ 10 each, fully paid up	-	1.69
Nil (as at 31 March 2025: 3,95,836) Series E2 CCPS of ₹ 10 each, fully paid up	-	3.96

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

16. SHARE CAPITAL (Contd.)

Particulars	As at 31 March 2026	As at 31 March 2025
Nil (as at 31 March 2025: 2,50,658) Series F CCPS of ₹ 10 each, fully paid up	-	2.51
Nil (as at 31 March 2025: 1,76,80,565) Series G CCPS of ₹10 each, fully paid up	-	176.81
Nil (as at 31 March 2025: 1,03,80,622) Series H CCPS of ₹1 each, fully paid up	-	10.38
Total	**-**	**261.33**
Total share capital	**152.23**	**296.56**

*Refer note (c) below

Number of shares have been disclosed in absolute terms.

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

I. Equity shares

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Equity shares				
Balance at the beginning of the year	3,52,35,000	35.23	1,81,51,940	18.16
Shares issued during the year (Refer note 16h)	1,67,71,728	16.77	1,28,02,090	12.80
Shares transferred during the year	-	-	32,23,260	3.22
Conversion of OCRPS into equity shares	-	-	72,920	0.07
Conversion of CCPS into equity shares	10,02,24,637	100.22	9,84,790	0.98
Total Equity shares at the end of the year	**15,22,31,365**	**152.23**	**3,52,35,000**	**35.23**

II. Reconciliation of the number of treasury shares outstanding at the beginning and end of the year

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Equity shares				
Balance at the beginning of the year	-	-	32,23,260	3.22
Shares transferred during the year	-	-	(32,23,260)	(3.22)
Total Equity shares at the end of the year	**-**	**-**	**-**	**-**

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

III. Compulsorily Convertible Preference Shares (CCPS)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Series A				
At the beginning of the year	6,09,594	6.09	6,09,594	6.09
Conversion of CCPS into equity shares *	(6,09,594)	(6.09)		
Total	**-**	**-**	**6,09,594**	**6.09**
Series B				
At the beginning of the year	1,86,982	1.87	1,86,982	1.87
Conversion of CCPS into equity shares *	(1,86,982)	(1.87)		
Total	**-**	**-**	**1,86,982**	**1.87**
Series B1				
At the beginning of the year	88,624	0.89	88,624	0.89
Conversion of CCPS into equity shares *	(88,624)	(0.89)		
Total	**-**	**-**	**88,624**	**0.89**
Series B2				
At the beginning of the year	13,39,659	13.40	13,39,659	13.40
Conversion of CCPS into equity shares *	(13,39,659)	(13.40)		
Total	**-**	**-**	**13,39,659**	**13.40**
Series B3				
At the beginning of the year	1,28,207	1.28	1,28,207	1.28
Conversion of CCPS into equity shares *	(1,28,207)	(1.28)		
Total	**-**	**-**	**1,28,207**	**1.28**
Series C				
At the beginning of the year	14,17,252	14.17	14,17,252	14.17
Conversion of CCPS into equity shares *	(14,17,252)	(14.17)		
Total	**-**	**-**	**14,17,252**	**14.17**
Series D				
At the beginning of the year	19,40,933	19.41	19,40,933	19.41
Conversion of CCPS into equity shares *	(19,40,933)	(19.41)		
Total	**-**	**-**	**19,40,933**	**19.41**

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

III. Compulsorily Convertible Preference Shares (CCPS) (Contd.)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Series D1				
At the beginning of the year	4,16,865	4.17	4,16,865	4.17
Conversion of CCPS into equity shares *	(4,16,865)	(4.17)		
Total	-	-	**4,16,865**	**4.17**
Series D2				
At the beginning of the year	3,59,257	3.59	3,59,257	3.59
Conversion of CCPS into equity shares *	(3,59,257)	(3.59)		
Total	-	-	**3,59,257**	**3.59**
Series D3				
At the beginning of the year	1,10,754	1.11	1,10,754	1.11
Conversion of CCPS into equity shares *	(1,10,754)	(1.11)		
Total	-	-	**1,10,754**	**1.11**
Series E				
At the beginning of the year	1,69,122	1.69	1,69,122	1.69
Conversion of CCPS into equity shares *	(1,69,122)	(1.69)		
Total	-	-	**1,69,122**	**1.69**
Series E2				
At the beginning of the year	3,95,836	3.96	3,95,836	3.96
Conversion of CCPS into equity shares *	(3,95,836)	(3.96)		
Total	-	-	**3,95,836**	**3.96**
Series F				
At the beginning of the year	2,50,658	2.51	2,50,658	2.51
Conversion of CCPS into equity shares *	(2,50,658)	(2.51)		
Total	-	-	**2,50,658**	**2.51**
Series G				
At the beginning of the year	1,76,80,565	176.81	1,86,65,355	186.65
Conversion of CCPS into equity shares *	(1,76,80,565)	(176.81)	(9,84,790)	(9.84)
Total	-	-	**1,76,80,565**	**176.81**

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For the year ended 31 March 2026

(All amounts are in INR million unless otherwise stated)

III. Compulsorily Convertible Preference Shares (CCPS) (Contd.)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Series H				
At the beginning of the year	1,03,80,622	10.38	-	-
Issued during the year	-	-	1,03,80,622	10.38
Conversion of CCPS into equity shares *	(1,03,80,622)	(10.38)		
Total	**-**	**-**	**1,03,80,622**	**10.38**
Total Share Capital [I + III]	**15,22,31,365**	**152.23**	**7,07,09,930**	**296.56**

*Refer note 16c

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. 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.

During the year, the Company has not declared any dividend.

In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholdings.

(c) The Company has issued various series of Compulsorily Convertible Preference Shares ('CCPS') and Optionally Convertible Redeemable Preference Shares ('OCRPS').

During the year ended 31 March 2026, series A, B, B1, B2, B3, C, D, D1, D2, D3, E and F CCPS is converted into equity shares in the ratio of 10:1, series E2 is converted into equity shares in the ratio of 5.01:1 and series G and H is converted into equity shares in the ratio of 1:1 pursuant to IPO.

During the year ended 31 March 2025, 9,84,790 series G CCPS is converted into equity shares in the ratio of 1:1.

During the year ended 31 March 2025, 7,292 series E1 OCRPS is converted into equity shares in the ratio of 10:1.

During the year ended 31 March 2025, the Company had issued H series CCPS and the CCPS holders of Series H have agreed a fixed conversion of 1 equity shares for every 1 CCPS held and therefore the same was classified as equity.

(d) In the period of five years immediately preceding the current year, during the year 2022-23, the Company had issued bonus shares of 1,63,36,746 of equity shares.

(e) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year.

(f) No class of shares have been issued for consideration other than cash by the Company during the period of five years immediately preceding the current year.

(g) During the year ended 31 March 2025, the Company has issued 1,00,01,847 rights equity shares at a price of ₹ 34 each, which includes a premium of ₹ 33 per share.

(h) During the year ended 31 March 2026, the Company issued 1,58,60,735 equity shares pursuant to its Initial Public Offering (IPO) at an issue price of ₹ 517 per share, comprising a face value of ₹ 1 per share and a securities premium of ₹ 516 per share.

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For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(i) Particulars of shareholders holding more than 5% equity shares

Name of the shareholders	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% holding	Number of shares held	% holding
Equity Shares				
Gaurav Singh Kushwaha	2,44,65,127	16%	2,44,65,127	69%
Accel India III (Mauritius) Ltd	1,32,90,055	9%	-	-
SBI Life Insurance Co. Ltd	76,11,320	5%	-	-
M/s. Access India Capital*	-	-	29,26,410	8%
Total	**4,53,66,502**	**30%**	**2,73,91,537**	**77%**
CCPS				
Series A				
Accel India III (Mauritius) Limited	-	-	4,57,246	75%
Saama Capital II Limited	-	-	53,134	9%
Sunil Kant Munjal and other partners of Hero	-	-	99,214	16%
	-	**-**	**6,09,594**	**100%**
Series B				
Accel India III (Mauritius) Limited	-	-	93,491	50%
Saama Capital II Limited	-	-	93,491	50%
	-	**-**	**1,86,982**	**100%**
Series B1				
Saama Capital II Limited	-	-	88,624	100%
	-	**-**	**88,624**	**100%**
Series B2				
Accel India III (Mauritius) Ltd	-	-	3,07,149	23%
Kalaari Capital Partners II, LLC	-	-	2,64,734	20%
Sunil Kant Munjal and other partners of Hero	-	-	1,51,920	11%
Steadview Capital Mauritius Limited	-	-	1,96,901	15%
Peak XV Partners Growth Investments IV	-	-	3,60,986	27%
	-	**-**	**12,81,690**	**96%**
Series B3				
Accel India III (Mauritius) Limited	-	-	1,28,207	100%
	-	**-**	**1,28,207**	**100%**
Series C				
Ivycap Ventures Trust – Fund 1- (Trustee-Vistra ITCL (India) Limited)	-	-	3,12,595	22%
Kalaari Capital Partners II, LLC	-	-	2,20,971	16%

Notes to the Standalone Financial Statements

For the year ended 31 March 2026

(All amounts are in INR million unless otherwise stated)

(i) Particulars of shareholders holding more than 5% equity shares (Contd.)

Name of the shareholders	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% holding	Number of shares held	% holding
Accel India III (Mauritius) Limited	-	-	1,38,107	10%
Saama Capital II Limited	-	-	82,864	6%
360 ONE Special Opportunities Fund - Series 12	-	-	2,80,927	20%
Accel India VII (Mauritius) Limited	-	-	3,37,329	24%
	-	**-**	**13,72,793**	**98%**
Series D				
Kalaari Capital Partners II, LLC	-	-	1,61,786	8%
Accel India III (Mauritius) Limited	-	-	2,42,679	13%
RB Investment Pte Limited	-	-	2,42,579	12%
Vistra ITCL (India) Limited, Trustee of Ivycap Ventures Trust – Fund 2	-	-	1,61,686	8%
Iron Pillar Fund I Limited	-	-	1,37,187	7%
Iron Pillar Fund I India	-	-	2,06,116	11%
Sunil Kant Munjal and other partners of Hero	-	-	1,39,520	7%
360 ONE Special Opportunities Fund - Series 12	-	-	1,02,571	5%
360 ONE Large Value Fund - Series 5	-	-	1,11,149	6%
	-	**-**	**15,05,273**	**77%**
Series D1				
Kalaari Capital Partners II, LLC	-	-	33,207	8%
Accel India III (Mauritius) Limited	-	-	66,413	16%
Vistra ITCL (India) Limited, Trustee of Ivycap Ventures Trust – Fund 2	-	-	53,130	13%
Iron Pillar Fund I Limited	-	-	66,413	16%
RB Investment Pte Limited	-	-	67,715	16%
Sunil Kant Munjal and other partners of Hero	-	-	1,02,841	25%
	-	**-**	**3,89,719**	**94%**
Series D2				
Accel India III (Mauritius) Limited	-	-	1,28,304	36%
Saama Capital II Limited	-	-	26,043	7%
Vistra ITCL (India) Limited, Trustee of Ivycap Ventures Trust – Fund 2	-	-	31,251	9%
Iron Pillar Fund I Limited	-	-	1,27,614	36%
	-	**-**	**3,13,212**	**88%**

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For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(i) Particulars of shareholders holding more than 5% equity shares (Contd.)

Name of the shareholders	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% holding	Number of shares held	% holding
Series D3				
360 ONE Special Opportunities Fund - Series 12	-	-	63,218	57%
Iron Pillar II WH Ltd.	-	-	47,536	43%
	-	**-**	**1,10,754**	**100%**
Series E				
Accel India III (Mauritius) Limited	-	-	59,037	35%
Kalaari Capital Partners II, LLC	-	-	11,807	7%
Iron Pillar Fund I Limited	-	-	11,807	7%
Sunil Kant Munjal and other partners of Hero	-	-	15,743	9%
Raveen Shastry	-	-	15,626	9%
Accel India VII (Mauritius) Limited	-	-	39,358	23%
	-	**-**	**1,53,378**	**90%**
Series E2				
Accel India III (Mauritius) Limited	-	-	1,25,000	32%
Ashoka Pte Limited	-	-	1,25,000	32%
Japonica Holdings Pte. Limited	-	-	62,500	16%
	-	**-**	**3,12,500**	**80%**
Series F				
Sunil Kant Munjal and other partners of Hero	-	-	2,50,658	100%
	-	**-**	**2,50,658**	**100%**
Series G				
IE Venture Investment Fund II	-	-	31,75,712	18%
360 One Large Value Fund - Series 13	-	-	22,15,059	13%
360 One Special Opportunities Fund Series 11	-	-	14,76,706	8%
NKSquared	-	-	14,76,706	8%
Kamath Associate	-	-	14,76,706	8%
IvyCap Ventures Trust Fund - III	-	-	14,76,706	8%
NV Holdings Limited	-	-	12,46,909	7%
	-	**-**	**1,25,44,504**	**70%**
Series H				
Pratithi Growth Fund 1	-	-	6,05,536	6%
MIH Investments One B.V.	-	-	60,80,439	59%

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(i) Particulars of shareholders holding more than 5% equity shares (Contd.)

Name of the shareholders	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% holding	Number of shares held	% holding
Steadview Capital Mauritius Limited	-	-	13,84,083	13%
Think Investments PCC	-	-	14,53,280	14%
	-	**-**	**95,23,338**	**92%**

*Holding below 5% during current year

(j) Shareholding of promoters:

Particulars	As at 31 March 2026		As at 31 March 2025	
Equity shares of ₹ 1 each	Number of shares held	% holding	Number of shares held	% holding
Mr. Gaurav Singh Kushwaha	2,44,65,127	16%	2,44,65,127	69%

17. OTHER EQUITY

Particulars		As at 31 March 2026	As at 31 March 2025
Securities premium	(i)	40,639.62	32,451.30
Retained earnings	(ii)	(24,257.62)	(24,517.62)
Employee Stock Options Reserves	(iii)	1,644.36	897.48
Items of Other Comprehensive Income	(iv)	5.49	5.72
Total other equity		**18,031.85**	**8,836.88**

(i) Securities premium

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	32,451.30	25,221.43
Premium received on issue of shares (Refer note 45)	8,440.59	7,235.70
Add: Reclassification from Liability to Equity (Refer note 16c)	-	6.92
Add: Conversion from CCPS to Equity	161.10	8.86
Less: Share issue expenses	(413.37)	(21.61)
Closing balance	**40,639.62**	**32,451.30**

(ii) Retained earnings

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	(24,517.62)	(22,325.48)
Add: Profit/(Loss) during the year	260.00	(2,192.14)
Closing balance	**(24,257.62)**	**(24,517.62)**

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For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(iii) Employee Stock Options Reserves

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	897.48	553.00
Add: Options granted during the year (Refer note no. 38)	926.50	512.39
Less: Options exercised during the year	(179.62)	(167.91)
Closing balance	**1,644.36**	**897.48**

(iv) Items of Other Comprehensive Income

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	**5.72**	**13.82**
Actuarial loss on remeasurement of employee defined benefit plan (net of tax) (Refer note no. 33)	(0.23)	(8.10)
Closing balance	**5.49**	**5.72**
Total other equity	**18,031.85**	**8,836.88**

Nature and purpose of other equity

(i) Securities Premium:

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The same is available for utilisation in accordance with the provisions of the Companies Act, 2013.

(ii) Retained earnings:

The cumulative gain or loss arising from the operations which is retained by the Company is recognized and accumulated under the heading of retained earnings. At the end of the year, the profit after tax/loss is transferred from the Statement of Profit and Loss to retained earnings.

(iii) Employee Stock Options Reserves:

The fair value of the equity-settled share based payment transactions with employees is recognised in statement of profit and loss with corresponding credit to share options outstanding account. The amounts recorded in this account are transferred to share premium upon exercise of share options by employees. In case of lapse, corresponding balance is transferred to retained earnings.

(iv) Other comprehensive income:

Other comprehensive income comprises actuarial gains and losses on defined benefit obligation.

18. BORROWINGS

Non-current borrowings - At Amortised cost

Particulars	As at 31 March 2026	As at 31 March 2025
Secured (Refer note below):		
Redeemable Non-convertible debentures	1,667.91	4,190.11
Term loan from banks	232.35	33.14
Term loan from financial institutions	2,848.61	1,627.30

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Non-current borrowings - At Amortised cost (Contd.)

Particulars	As at 31 March 2026	As at 31 March 2025
Vehicle loan	13.99	6.87
Less: Current maturities of long-term borrowings	(2,752.28)	(3,884.59)
Total (A)	**2,010.58**	**1,972.83**

Note:

The coupon rate for Redeemable Non-convertible debentures ranges from 12.75% p.a. to 14.50% p.a. (31 March 2025 - 12.50% p.a. to 14.50% p.a.) with a tenor of 18 to 36 months.

The rate of interest for term loan from banks and financial institutions is 7.90% p.a. to 13.10% (31 March 2025 - 7.90% p.a. to 13.50% p.a.) with a tenor of 24 to 60 months.

The rate of interest for vehicle loan is 7.99% p.a. to 9.55% p.a. (31 March 2025 - 7.99% p.a. to 9.55% p.a.) with a tenor of 36 to 60 months.

Security:

The Redeemable Non-convertible debentures are secured by way of first ranking pari passu charge over all current assets of the Company, both present and future including intellectual properties and non-current assets (including tangible and intangible fixed assets).

The loan mentioned above is secured by way of first ranking pari passu charge by way of hypothecation on all existing and future current assets (including book debts, trade receivables, stock in trade, inventory, unencumbered cash equivalents except for the fixed deposits exclusively lien marked with the lender or other financial institutions/lenders for gold on loan or otherwise, customer advances, supplier advance, GST refunds etc.), immovable and movable assets, fixed assets, intangible assets (including intellectual property, brand/trademarks) of the Company.

The vehicle loan mentioned above is secured against hypothecation of vehicles.

Current borrowings:

Particulars	As at 31 March 2026	As at 31 March 2025
Secured		
Working capital loan	1,759.99	1,320.00
Bank overdraft	920.38	108.76
Current maturities of long-term borrowings	2,752.28	3,884.59
Total (B)	**5,432.65**	**5,313.35**
Total (A+B)	**7,443.23**	**7,286.18**

Note:

The rate of interest for working capital loans ranges from 9.25% to 12.35% p.a. (31 March 2025 - 10.00% to 13.50% p.a.) with a tenor of 30 to 180 days.

The rate of interest for cash credit/overdraft ranges from 7.35% - 10.25% p.a. (31 March 2025 - 10% - 10.70% p.a.).

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Security:

The loans mentioned above are secured by way of first-ranking pari passu charges on the Company's existing and future current assets and fixed assets, including stocks, inventory, receivables, movable fixed assets, rental deposits, and other assets, as applicable.

Stock Statement:

The quarterly statements filed with the banks against the borrowings obtained by the Company are in agreement with the books of accounts for the year ended 31 March 2026 and 31 March 2025.

Instances of default in payment of principal/interest:

There are no instances of default in payment of principal or interest for the year ended 31 March 2026 and 31 March 2025.

19. LEASE LIABILITIES

Particulars	As at 31 March 2026	As at 31 March 2025
Non current		
Lease liabilities	8,010.95	7,051.07
Total	**8,010.95**	**7,051.07**

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Lease liabilities	1,307.34	943.06
Total	**1,307.34**	**943.06**

20. OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Deposit received from franchisee	30.82	143.31
Total	**30.82**	**143.31**

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Interest accrued but not due on borrowings	15.43	14.43
Deposit received from franchisee	2,030.52	2,118.37
Payable to employees	143.56	92.05
Derivative instruments in designated hedge accounting relationship	78.94	77.78
Other liabilities	152.43	46.16
Total	**2,420.88**	**2,348.79**

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

21. PROVISIONS

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Provision for employee benefits	-	-
Provision for gratuity (Refer note 33)	50.68	35.44
Total	**50.68**	**35.44**

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Provision for employee benefits		
Provision for gratuity (Refer note 33)	13.29	12.53
Provision for compensated absence	23.39	15.93
Total	**36.68**	**28.46**

22. GOLD ON LOAN

Particulars	As at 31 March 2026	As at 31 March 2025
Gold on loan (Refer note below)	2,848.14	3,865.53
Total	**2,848.14**	**3,865.53**

Note:

Represents amounts payable against gold purchased from various banks under gold on loan scheme with an interest rate of 2.50%-6.50% p.a. (31 March 2025 - 2.50%-9.00% p.a.) and is payable at monthly intervals. The credit period under the aforesaid arrangement is upto 180 days from the date of delivery of gold. The amounts are secured against fixed deposits placed by the Company (refer note 8, 14 and 15).

23. TRADE PAYABLES

Particulars	As at 31 March 2026	As at 31 March 2025
Current - At amortised cost		
Total outstanding dues of micro enterprises and small enterprises	399.25	282.97
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,160.11	1,364.21
Total trade payables	**1,559.36**	**1,647.18**

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Disclosure in respect of Micro and Small Enterprises:

Particulars		As at 31 March 2026	As at 31 March 2025
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting period:		
	- Principal	399.25	282.97
	- Interest	-	-
(ii)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period:	-	-
	- Interest	-	-
	- Payment	-	-
(iii)	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 Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting period	-	-
(v)	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 Micro, Small and Medium Enterprises Development Act, 2006	-	-

Trade payables Ageing Schedule

Ageing as at 31 March 2026

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	< 1 year	1-2 years	2-3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	259.87	122.22	5.53	10.65	0.98	399.25
Total outstanding dues of creditors other than micro enterprises and small enterprises	468.06	507.23	155.12	18.36	4.80	6.54	1,160.11
Disputed dues of micro, enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, enterprises and small enterprises	-	-	-	-	-	-	-
Total	**468.06**	**767.10**	**277.34**	**23.89**	**15.45**	**7.52**	**1,559.36**

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Ageing as at 31 March 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	< 1 year	1-2 years	2-3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	62.99	153.55	65.87	0.43	0.13	282.97
Total outstanding dues of creditors other than micro enterprises and small enterprises	431.23	341.95	567.66	13.56	6.75	3.06	1,364.21
Disputed dues of micro, enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, enterprises and small enterprises	-	-	-	-	-	-	-
Total	**431.23**	**404.94**	**721.21**	**79.43**	**7.18**	**3.19**	**1,647.18**

24. OTHER LIABILITIES

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Advance from customers	616.94	272.85
Gold Schemes	1,900.97	1,727.97
Capital creditors	86.52	173.06
Refund liability*	108.86	105.73
Statutory dues payable	121.85	39.47
Gift vouchers	603.91	517.49
Gold on lease**	4,152.88	-
Other payables	2.98	27.14
Total	**7,594.91**	**2,863.71**

*The Company has recognised a refund liability for the Sales return from customers amounting to ₹ 108.86 million (31 March 2025: ₹ 105.73 million), which is in the normal course of business. The Company has also recognised a right to recover the returned goods ₹ 66.56 million (31 March 2025: ₹ 67.67 million). The costs to recover the products are not material because the customers usually return the product in a saleable condition.

**The Company procures gold from external parties on lease basis with variable interest rates ranging from 4% to 5% payable at monthly intervals. The tenure of such lease arrangements is 365 days in case of fixed tenure leases.

25. REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of products	24,412.30	17,700.02
Total	**24,412.30**	**17,700.02**

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(A) Ind AS 115 - Revenue from contract with customers

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from contract with customers - Sale of products	24,412.30	17,700.02
Total	**24,412.30**	**17,700.02**
India	24,412.30	17,700.02
Outside India	-	-
Total	**24,412.30**	**17,700.02**
Timing of revenue operation		
At a point in time	24,412.30	17,700.02
Over a period of time	-	-
Total	**24,412.30**	**17,700.02**

(B) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Contracted price	32,339.63	25,122.22
Less: Reductions towards variable consideration components	(7,927.33)	(7,422.20)
Net consideration recognised as revenue	**24,412.30**	**17,700.02**

The reduction towards variable consideration comprises of scheme discounts, incentives, returns etc.

(C) Contract balances

Particulars	As at 31 March 2026	As at 31 March 2025
Contract assets		
Right to recover returned goods (refer note 10)	66.56	67.67
Contract liabilities (refer note 24)		
Refund liability	108.86	105.73
Gift voucher	603.91	517.49
Gold schemes	1,900.97	1,727.97
Advance from customers	616.94	272.85

(D) No single customer contributed 10% or more to the Company's revenue for the year ended 31 March 2026 and 31 March 2025.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

26. OTHER INCOME

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest on fixed deposits and others	352.59	350.63
Gain on mutual fund	30.31	39.31
Liabilities no longer required written back	67.11	95.16
Fair value (loss)/gain on call option in subsidiary (Refer note 50)	(33.94)	52.16
Unwinding of interest on financial assets carried at amortized cost	34.77	28.22
Gain on termination of lease	17.74	10.84
Rent waiver on lease liabilities	-	3.88
Miscellaneous income	23.33	18.98
Total	**491.81**	**599.18**

27. COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Raw material consumed		
Inventory at the beginning of the year	2,291.68	1,992.69
Add: Purchases	23,981.75	17,514.34
Less: Inventory at the end of the year	4,230.53	2,291.68
Total cost of material consumed	**22,042.90**	**17,215.35**

28. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventories at the end of the year		
Finished goods	22,166.65	13,787.66
Work-in-progress	8.45	347.86
Inventories at the beginning of the year		
Finished goods	13,787.66	7,894.09
Work-in-progress	347.86	10.97
Net change	**(8,039.58)**	**(6,230.46)**

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

29. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries and wages	1,710.92	1,358.27
Contribution to provident and other funds (Refer note 33)	52.79	42.17
Gratuity expenses (Refer note 33)	20.79	8.01
Expense on employee stock option scheme (Refer note 38)	926.50	512.39
Staff welfare expenses	75.94	101.59
Total	**2,786.94**	**2,022.43**

30. FINANCE COSTS

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest on:		
Term loans from banks and financial institutions	796.49	604.42
Debentures	234.78	460.26
Franchisee deposit	387.01	464.09
Lease liabilities (Refer note 4c)	634.50	509.33
Other borrowing costs	42.40	37.32
Total	**2,095.18**	**2,075.42**

31. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation of property, plant and equipment (Refer note 3)	670.30	445.29
Amortization of other intangible assets (Refer note 6a)	14.45	4.13
Depreciation of right to use assets (Refer note 4c)	1,396.43	1,025.33
Total	**2,081.18**	**1,474.75**

32. OTHER EXPENSES

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Power and fuel	188.50	176.07
Certification & hallmarking charges	53.42	70.63
Job work charges	130.99	251.12
Contract labour charges	428.79	620.67
Consumables	82.63	100.30
Security charges	69.86	76.03
Bank charges	5.01	5.76

Notes to the Standalone Financial Statements

For the year ended 31 March 2026

(All amounts are in INR million unless otherwise stated)

32. OTHER EXPENSES (Contd.)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Insurance	55.82	42.92
Repairs and maintenance		
- Buildings	49.58	93.33
Rates and taxes	33.58	41.26
Advertisement & marketing costs	1,595.01	1,591.66
Payment gateway charges	167.50	138.32
Shipping charges	82.12	89.95
Brokerage & commission	78.10	58.34
Printing & stationery expenses	46.91	52.98
Software and web development charges	29.09	25.77
Bad debts written off	-	1.60
Less: Provision created in earlier years	-	(1.60)
Rent (Refer note 4c)	33.07	20.22
Legal and professional charges	92.89	133.74
Travelling and conveyance expenses	94.52	80.48
Technology & communication expenses	96.17	61.03
Auditors remuneration (refer note (a) below)*	4.98	3.48
Office maintenance	19.54	28.23
Store maintenance	201.72	147.90
Loss on sale of Property, plant and equipment	31.05	19.48
Miscellaneous expenses	6.64	4.18
Total	**3,677.49**	**3,933.85**

(a) Payment to Auditors

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
As auditor:		
Statutory audit	4.50	3.35
Certification services	0.19	-
Reimbursement of expenses	0.29	0.13
Total	**4.98**	**3.48**

*Excludes fees paid to auditors amounting to ₹ 9.85 million (including reimbursement of expenses) (31 March 2025 - ₹ 14.09 million) and fees paid to erstwhile auditors ₹ 4.13 million (including reimbursement of expenses) (31 March 2025 - ₹ 16.07 million) in connection with the initial public offer of equity shares of the Company.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

33. EMPLOYEE BENEFITS

I. Defined contribution plan

The Company has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the year towards defined contribution plan is as under:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Employer's Contribution to Provident Fund	52.39	41.68
Employer's Contribution to Employee State Insurance Corporation	0.40	0.49
Expense recognized during the year	**52.79**	**42.17**

II. Defined benefit plan

A. Gratuity: (Unfunded)

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan). The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the number of years of employment with the Company.

a) Reconciliation of the projected benefit obligations:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Change in projected benefit obligation:		
Obligations at beginning of the year	47.97	34.51
Service cost	14.51	5.56
Past service cost	3.26	-
Interest on defined benefit obligation	3.02	2.45
Benefits settled	(5.03)	(2.65)
Actuarial (gain)/loss	0.24	8.10
Obligations at the end of year	**63.97**	**47.97**
Reconciliation of present value of the obligation and the fair value of the plan assets:		
Closing obligations	63.97	47.97
Closing fair value of plan assets	-	-
Liability recognized in the balance sheet	**63.97**	**47.97**
Net liability:		
Non-current	50.68	35.44
Current	13.29	12.53

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

b) (i) Expense recognized in Statement of Profit and Loss:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Service cost	14.51	5.56
Past service cost	3.26	-
Interest cost	3.02	2.45
Net gratuity cost	**20.79**	**8.01**

(ii) Remeasurements recognized in Other Comprehensive Income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial loss/(gain) on defined benefit obligation		
Changes in demographic assumption	(5.90)	8.64
Changes in financial assumptions	(6.11)	0.39
Experience variance (i.e. Actual experience vs assumptions)	12.25	(0.93)
Actuarial loss/(gain) on defined benefit obligation	**0.24**	**8.10**

c) Defined benefit obligation - Actuarial assumptions

(i) Actuarial assumptions

Principal actuarial assumptions at the reporting date:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Discount rate	6.50%	6.50%
Salary escalation rate	6.00%	10.00%
Attrition rate:		
- Annual CTC below 1 million	50.54%	49.00%
- Annual CTC between 1 million to 3 million	23.10%	33.00%
- Annual CTC between 3 million and above	28.57%	18.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Retirement Age (years)	60	60

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	For the year ended 31 March 2026		For the year ended 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%)	**61.63**	**66.46**	**46.28**	**49.77**
Salary Growth Rate (-/+ 1%)	66.24	61.79	49.40	46.56
Attrition Rate (-/+ 50% of attrition rates)	56.93	71.88	40.91	61.61
Mortality Rate (-/+ 50% of mortality rates)	63.99	63.93	47.97	47.96

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(iii) The expected future cash flows in respect of gratuity:

Projected benefits payable in future years from the reporting date	For the year ended 31 March 2026	For the year ended 31 March 2025 "
1st following year	13.29	12.53
2nd to 5th year	44.79	31.84
6th to 10 years	19.86	12.38
More than 10 years	5.98	6.08

B. Compensated absences:

The Company offers a leave encashment policy as part of compensated absences, which is categorized as a short-term benefit. Employees become eligible for earned leaves after successfully completing their probation period. Once confirmed, earned leaves accrue on a monthly basis. The company also allows employees to carry forward a specific number of unused leave days from the previous year to the next anniversary cycle. Leave encashment will be paid upon an employee's departure from the company, up to the balance of carried-forward leaves. The provision for this benefit is estimated and measured on an undiscounted basis.

34. INCOME TAXES

a) Amount recognized in Statement of Profit or Loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax	-	-
Deferred tax	-	-
Income tax expense reported in the Statement of Profit and Loss	**-**	**-**

b) Income tax recognized in Other Comprehensive Income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Remeasurement of the net defined benefit liability/asset	-	-
Tax (expense)/benefit	**-**	**-**

c) Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit/(loss) before tax	260.00	(2,192.14)
Tax amount at the enacted income tax rate	25.17%	25.17%
Income tax expense recognised in Statement of Profit and Loss*	**-**	**-**

*No current tax expense has been recognized during the year as the Company has sufficient brought-forward tax losses available for set-off against current year taxable profits. The tax impact of such losses has been considered in determining the current year's tax position.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

d) The following table provides the details of income tax assets and income tax liabilities as at 31 March 2026 and 31 March 2025:

Particulars	As at 31 March 2026	As at 31 March 2025
Advance income tax and tax deducted at source	98.68	117.47
Provision for taxes	-	-
Net income tax asset/(liability) at the end of the year	**98.68**	**117.47**

e) Deferred tax assets/liabilities:

Movement of deferred tax assets/liabilities presented in the balance sheet

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax assets on:		
Provision for compensated absences, gratuity and other employee benefits	21.99	16.08
Excess of depreciation provided for in the books over the depreciation allowed under the Income tax laws	97.18	57.61
Lease liabilities (net of Right-to-use asset) under Ind AS 116	223.49	141.90
Brought forward losses of earlier years	896.73	1,514.38
Gross deferred tax assets	**1,239.39**	**1,729.97**
Net deferred tax liabilities/(assets)	**(1,239.39)**	**(1,729.97)**

Although the Company reported profits during the year ended 31 March 2026, management believes that sufficient reasonable certainty regarding availability of future taxable income is not yet established. Accordingly, deferred tax assets have not been recognized for the year ended 31 March 2026 and 31 March 2025.

35. RELATED PARTY DISCLOSURES

(i) Names of related parties and description of relationship

A. Relationship

	Related Parties
Key Management Personnel (KMP)	Mr. Gaurav Singh Kushwaha, Managing Director Mr. Rumit Dugar, Chief Financial Officer Ms. Jasmeet Saluja, Company Secretary (upto 30 April 2025) Mr. Vipin Sharma, Chief Merchandising Officer Mr. Sudeep Nagar, Chief Operating Officer Mr. Paras Dilip Shah, Company Secretary (w.e.f. 4 July 2025)
Non executive - Nominee Directors	Mr. Prashanth Prakash Mr. Sameer Dilip Nath Mr. Vikram Gupta (upto 27 November 2024)
Non executive - Independent Directors	Mr. Rajesh Kumar Dahiya (w.e.f. 16 August 2024) Mr. Rohit Bhasin (w.e.f. 16 August 2024) Ms. Neha (w.e.f. 16 August 2024)
Subsidiary	Ethereal House Private Limited
Associate	Redefine Fashion Private Limited

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

B. Other related parties with whom transactions have taken place during the year

Mrs. Arpita Tomar, Relative of KMP

Mrs. Poonam Dugar, Relative of KMP

Mrs. Duhita Nath, Relative of Director

Mrs. Shikha Parikh, Relative of KMP

Ms. Mallika Dahiya, Relative of Director

(ii) Related party transactions

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Remuneration paid/accrued to KMP's and Directors		
Mr. Gaurav Singh Kushwaha	94.21	30.83
Mr. Rumit Dugar	16.87	14.79
Mr. Vipin Sharma	16.01	13.24
Mr. Sudeep Nagar	16.59	13.87
Ms. Jasmeet Saluja	0.13	1.75
Mr. Rajesh Kumar Dahiya	1.60	1.70
Mr. Rohit Bhasin	1.80	1.75
Ms. Neha	2.15	1.80
Mr. Paras Dilip Shah	2.23	-
Sitting fees		
Mr. Rajesh Kumar Dahiya	2.00	0.55
Mr. Rohit Bhasin	1.80	0.50
Ms. Neha	1.45	0.45
Equity shares issued under Rights issue		
Gaurav Singh Kushwaha	-	313.31
Equity shares issued under private placement		
Gaurav Singh Kushwaha	-	751.40
The Promoter Contribution Shortfall		
Gaurav Singh Kushwaha	76.83	-
ESOP exercised*		
Mr. Rumit Dugar	-	61.22
Mr. Vipin Sharma	127.98	40.39
Mr. Sudeep Nagar	22.41	53.49
Sale of products		
Mr. Vikram Gupta	-	0.01
Mr. Vipin Sharma	0.07	0.13
Mr. Sudeep Nagar	0.01	0.17

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(ii) Related party transactions (Contd.)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Mrs. Arpita Tomar	0.92	3.83
Mrs. Poonam Dugar	0.08	0.05
Ms. Neha	0.37	0.09
Ms. Mallika Dahiya	-	0.27
Mrs. Duhita Nath	-	3.19
Mrs. Shikha Parikh	2.69	1.78
Ethereal House Private Limited	111.22	-
Sale of fixed assets		
Ethereal House Private Limited	0.71	-
Reimbursement of expenses		
Ethereal House Private Limited	0.04	-
Investment in Subsidiary		
Ethereal House Private Limited		
Equity shares	-	0.27
Compulsory convertible preference shares	252.00	167.71
Investment in Associate		
Redefine Fashion Private Limited		
Equity shares	-	0.06
Compulsory convertible preference shares	-	104.94

(iii) Amounts outstanding as at the balance sheet date

Particulars	As at 31 March 2026	As at 31 March 2025
Payables to KMP's and Directors		
Mr. Gaurav Singh Kushwaha	63.60	3.60
Mr. Rumit Dugar	1.36	0.96
Mr. Vipin Sharma	1.36	0.96
Mr. Sudeep Nagar	1.36	0.96
Ms. Jasmeet Saluja	-	0.09
Mr. Rajesh Kumar Dahiya	0.40	-

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(iii) Amounts outstanding as at the balance sheet date (Contd.)

Particulars	As at 31 March 2026	As at 31 March 2025
Mr. Rohit Bhasin	0.45	-
Ms. Neha	0.60	-
Receivables from Directors		
Mrs. Duhita Nath	-	3.19

*ESOP exercised represents taxable amount.

Note:

(i) Mr. Rumit Dugar, Chief Financial Officer, undertook a one-time test transaction by leasing gold through a platform. The value of the resulting related party transaction was only a few rupees and was immaterial in nature.

(ii) The Company has not written off or written back any related party balances.

(iii) Provisions for post-retirement benefits, namely gratuity and leave encashment, are made for the Company as a whole. The amount pertaining to Key management personnel has not been separately determined, accordingly, not included in the above note.

36. EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to shareholders by the weighted average number of shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to shareholders by the weighted average number of shares outstanding during the year plus the weighted average number of shares that would be issued on conversion of all the dilutive potential shares into share capital.

The following table sets forth the computation of basic and diluted earnings per share:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit/(Loss) after tax for calculating basic and diluted EPS	260.00	(2,192.14)
Weighted average number of shares (for basic)	11,95,35,383	2,77,99,051
Weighted average number of shares (refer note below) (for diluted)	12,57,93,939	2,77,99,051
Earnings per share		
- Basic (Rupees/share)	2.18	(78.86)
- Diluted (Rupees/share)	2.07	(78.86)

Note: The impact of potential conversion of preference shares and ESOP into equity is anti-dilutive in nature for the previous year ended 31 March 2025 and accordingly, the basic and diluted loss per share are same.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Reconciliation of shares used in computing earnings per share

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Weighted average number of equity shares of ₹ 1 each used for calculation of basic earnings per share	11,95,35,383	2,77,99,051
Weighted average number of equity shares of ₹ 1 each used for calculation of diluted earnings per share	-	-
Weighted average number of equity shares for calculation of basic earnings per share	11,95,35,383	2,77,99,051
Adjustments for employee share options	62,58,556	-
Weighted average number of equity shares adjusted for the effect of dilution	**12,57,93,939**	**2,77,99,051**

37. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of The Companies Act, 2013, a Company meeting the applicable threshold, needs to spend at least 2% of its average net profits for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

Since the Company has not made net profits during the three immediately preceding financial years, the Company is not required to spend any amount as prescribed under section 135(5) of the Act.

38. EMPLOYEE STOCK OPTION PLAN

The ESOP scheme, named BlueStone Jewellery and Lifestyle Employees Stock Option Plan – 2014 ("ESOP 2014"), was initially approved by shareholders in 2014. It was subsequently amended and approved again in 2016, further revised and approved during an extraordinary general meeting in 2022, further amended and approved by shareholders in August 2024, and most recently amended and approved in May 2025.

The shares granted under the ESOP Plan do not vest on a single date but have graded vesting schedule with service conditions attached. As per Ind AS-102, "Share-based Payment", stock options have to be fair valued on the grant date and expense has to be recognised over the vesting period. The Company has accordingly determined the cost of the employee share-based payments considering the fair value principles.

The vesting period for these options spans from 1 to 7 years. They can be exercised by the grantee within a period of 10 years from the date of vesting.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Outstanding at the beginning of the year	**35,48,669**	**24,46,853**
Options granted during the year	16,47,192	20,56,016
Options vested during the year	(11,18,933)	(9,03,797)
Options lapsed during the year	(1,55,327)	(50,403)
Outstanding at the end of the year	**39,21,601**	**35,48,669**
Weighted average exercise price per option	1.00	1.00

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Reconciliation of vested options:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Outstanding at the beginning of the year	**23,76,602**	**29,81,752**
Options vested during the year	11,18,933	9,03,797
Options exercised/modified during the year	(9,71,100)	(15,08,947)
Options expired during the year	(12,171)	-
Outstanding at the end of the year	**25,12,264**	**23,76,602**
Options exercisable at the end of the year	**25,12,264**	**23,76,602**

Fair value measurement

The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The weighted average remaining contractual life of the options outstanding as of 31 March 2026 under the ESOP (2014) option plan is 3.14 years (31 March 2025 - 3.61 years).

The fair value of the options is estimated on the date of grant using the Black-Scholes-Merton Model with the following inputs and assumptions:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
No. of options granted	16,47,192	20,56,016
Date of grant	09-Apr-25 05-May-25	17-May-24 04-Jun-24 01-Aug-24 27-Sep-24 27-Nov-24
Vesting Period	4 years	4 to 7 years
Dividend yield	0%	0%
Volatility rate	41.67%	41.57%
Risk free rate	6.77%	6.44%
Expected life of options	4 years	4 to 7 years
Weighted average fair value of option per share	557.43	540.29

The stock price is arrived using the last round of funding closest to the grant date. Implied volatility is the unit at which the price of shares of peer listed companies has fluctuated during the past period. The expected time to maturity/expected life of options is the period for which the company expects the options to be alive, which has been taken as 4 to 7 years subject to adjustment of time lapse from the date of grant. The risk free rate considered for calculation is based on yield on government securities for 4 years as on date of valuation.

Notes to the Standalone Financial Statements

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39. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT

a) The carrying value and fair value of financial instruments by categories are as below:

Particulars	As at 31 March 2026		As at 31 March 2025	
	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss
Financial assets				
Investments				
- Mutual Fund	-	436.14	-	508.35
- Equity shares and Preference Shares	524.98	-	272.98	-
Loans	-	-	-	-
Trade receivables	74.98	-	56.06	-
Cash and cash equivalents	960.81	-	430.57	-
Bank balances other than above	4,041.46	-	1,341.18	-
Other financial assets	3,724.50	18.22	4,000.99	52.16
Total assets	**9,326.73**	**454.36**	**6,101.78**	**560.51**
Financial liabilities				
Borrowings	7,443.23	-	7,286.18	-
Gold on loan	-	2,848.14	-	3,865.53
Lease liabilities	9,318.29	-	7,994.13	-
Trade payables	1,559.36	-	1,647.18	-
Other financial liabilities	2,372.76	78.94	2,414.32	77.78
Total liabilities	**20,693.64**	**2,927.08**	**19,341.81**	**3,943.31**

b) Measurement of fair values

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

a). recognized and measured at fair value.

b). measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is mentioned below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Financial instruments

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at 31 March 2026 and 31 March 2025.

Particulars	Date of valuation	Total	Level 1	Level 2	Level 3
FVTPL financial assets:					
Investments in Mutual Funds	As at 31 March 2026	436.14	436.14	-	-
Investments in Mutual Funds	As at 31 March 2025	508.35	508.35	-	-
Call Option – in Subsidiary	As at 31 March 2026	18.22	-	18.22	-
Call Option – in Subsidiary	As at 31 March 2025	52.16	-	52.16	-

Particulars	Date of valuation	Total	Level 1	Level 2	Level 3
FVTPL financial liabilities:					
gold on loan	As at 31 March 2026	2,848.14	2,848.14	-	-
gold on loan	As at 31 March 2025	3,865.53	3,865.53	-	-
Derivative instruments in designated hedge accounting relationship	As at 31 March 2026	78.94	78.94	-	-
Derivative instruments in designated hedge accounting relationship	As at 31 March 2025	77.78	77.78	-	-

Transfers between Level 1, Level 2 and Level 3

There were no transfers between Level 1, Level 2 or Level 3 during the year ended 31 March 2026 and 31 March 2025.

Determination of fair values

The fair values of other financial assets and financial liabilities are considered to be equivalent to their carrying values. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

40. FINANCIAL INSTRUMENTS - RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

(i) credit risk (refer note (b) below);

(ii) liquidity risk (refer note (c) below);

(iii) market risk (refer note (d) below).

(a) Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company’s board oversees how management monitors compliance with the Company’s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company minimises the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of derivative financial instruments is governed by the Company’s policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Company’s risk management strategy.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

Hedges Sell forward/future contracts:

Particulars	Nature of Hedge	Average rate (Per gram)	Quantity of hedge instruments (KGS)	Nominal amount (₹ in million)
31 March 2026	Fair value	14,691.04	205.00	3,011.66
31 March 2025	Fair value	8,861.49	370.00	3,278.75

Fair value hedge:

The Company designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in gold prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. Therefore, there will be no impact of the fluctuation in the price of the gold on the Company's profit/(loss) for the period.

The table below shows the position of hedging instruments and hedged items as on the balance sheet date:

Commodity Price Risk	Carrying value of as at 31st March 2026		Maturity date	Impact of fair value hedge	Balance Sheet Disclosure
	Hedged item	Hedging Instrument			
Hedged item - fixed Gold	3,090.60	-	2 to 6 Months	78.94	Inventories
Hedging Instrument - Derivatives	-	78.94	2 to 6 Months	(78.94)	Other Financial Assets/Liabilities

Commodity Price Risk	Carrying value of as at 31st March 2025		Maturity date	Impact of fair value hedge	Balance Sheet Disclosure
	Hedged item	Hedging Instrument			
Hedged item - fixed Gold	3,356.53	-	2 to 6 Months	77.78	Inventories
Hedging Instrument - Derivatives	-	77.78	2 to 6 Months	(77.78)	Other Financial Assets/Liabilities

(b) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date. In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

Credit risk on receivables is limited as the nature of the business is cash and carry except for franchisee partners where there is adequate controls are in place. The Company has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

Cash at bank and fixed deposits are placed with financial institutions which are regulated. As at the reporting date, there is no significant concentration of credit risk.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

i) Expected credit loss (ECL) assessment for customers as at 31 March 2026 and 31 March 2025:

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to past payment history, security by way of deposits, external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgment. The following table provides information about the exposure to credit risk and expected credit loss for trade receivables.

Particulars	As at 31 March 2026	As at 31 March 2025
Gross carrying amount	74.98	56.06
Expected loss rate	0.00%	0.00%
Expected credit losses (Loss allowance provision)	-	-
Carrying amount of trade receivables (net of impairment)	**74.98**	**56.06**

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	-	1.60
Provision for expected credit loss	-	-
Write off of bad debts	-	(1.60)
Closing balance	**0.00**	**0.00**

ii) Cash and cash equivalents

The Company holds cash and cash equivalents of ₹ 960.81 million as at 31 March 2026 (31 March 2025 - ₹ 430.57 million). The cash and cash equivalents are mainly held with banks which are rated AAA to AA- based on third party ratings. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of counterparties.

iii) Other financial assets

The Company considers that its other financial assets have low credit risk based on its nature.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the Management of the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

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(i) Exposure to liquidity risk

The table below details the Company's remaining contractual maturity for its non-derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Carrying amount	Total	0–12 months	1–2 years	2–5 years	More than 5 years
As at 31 March 2026						
Borrowings	7,443.23	7,443.23	5,432.65	1,536.60	473.98	-
Gold on loan	2,848.14	2,848.14	2,848.14	-	-	-
Lease liabilities	9,318.29	11,772.79	1,950.74	1,915.84	5,070.92	2,835.29
Trade and other payables	1,559.36	1,559.36	1,559.36	-	-	-
Other financial liabilities	2,451.70	2,451.70	2,420.88	30.82	-	-
	23,620.72	**26,075.22**	**14,211.77**	**3,483.26**	**5,544.90**	**2,835.29**

Particulars	Carrying amount	Total	0–12 months	1–2 years	2–5 years	More than 5 years
As at 31 March 2025						
Borrowings	7,286.18	7,286.18	5,313.35	1,917.32	55.51	-
Gold on loan	3,865.53	3,865.53	3,865.53	-	-	-
Lease liabilities	7,994.13	10,213.21	1,507.69	1,506.53	4,187.05	3,011.94
Trade and other payables	1,647.18	1,647.18	1,647.18	-	-	-
Other financial liabilities	2,492.10	2,492.10	2,348.79	143.31	-	-
	23,285.12	**25,504.20**	**14,682.54**	**3,567.16**	**4,242.56**	**3,011.94**

ii) Financing arrangement

The Company had ₹ 2,344.5 million (31 March 2025 - ₹ 632.01 million) undrawn borrowing facilities at the end of the reporting period.

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

i) Currency risk

The Company's functional currency is Indian rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's costs of imports, primarily in relation to other services.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency results in the Company's overall debt position in rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency.

Notes to the Standalone Financial Statements

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The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting year are as follows:

Currency exposure as at 31 March 2026 and 31 March 2025:

Particulars	31-Mar-26		31-Mar-25	
	Foreign Currency	₹ in million	Foreign Currency	₹ in million
Financial liabilities				
Trade Payables:				
- US Dollars	-	-	-	-

ii) 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 Company's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates.

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Exposure to interest rate risk:

The exposure of the Company's borrowing to interest rate changes at the end of the year are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Variable-rate instruments	3,512.72	2,051.07
Total Borrowings	**3,512.72**	**2,051.07**

Cash flow sensitivity analysis for variable-rate instruments:

A reasonably possible change of 100 basis points in interest rates at the reporting date would have (increase)/ decrease loss by the amounts as under.

Particulars	Profit/(loss)	
	1% increase	1% decrease
Variable rate borrowings as at 31 March 2026	(35.13)	35.13
Variable rate borrowings as at 31 March 2025	(20.51)	20.51

iii) Commodity price risk

The Company is exposed to commodity price risk due to price fluctuations on account of gold prices. The risk management strategy against gold price fluctuation includes procuring gold on loan basis, with a flexibility to fix price of gold at any time during the tenor of the loan. The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

The Company has an outstanding balance of gold on loan amounting to ₹ 2,848.14 million as at 31 March 2026 (31 March 2025 - ₹ 3,865.53 million).

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

41. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company's capital structure mainly constitutes debt & equity. The Company's capital structure is influenced by the changes in regulatory framework, government policies, available options of financing and the impact of the same on the liquidity position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings (current and non-current) less cash and cash equivalents, other bank balances and deposits with bank unless marked for GML collateral and bank guarantee. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio is analysed as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Total borrowings	7,443.23	7,286.18
Less: Cash and cash equivalents (refer note 14)	(960.81)	(326.40)
Less: Other bank balance and deposits with bank	(3,013.22)	(788.76)
Adjusted net debt	3,469.20	6,171.02
Total equity	**18,184.10**	**9,133.44**
Adjusted net debt to adjusted equity ratio	**0.19**	**0.68**

42. ANALYTICAL RATIOS

	Ratio	Methodology	As at 31 March 2026	As at 31 March 2025	% change from 31 March 2025 to 31 March 2026	Explanation for the variance
a)	Current Ratio	Current assets over current liabilities	1.66	1.24	34%	Movement due to increase in current assets during the year.
b)	Debt - Equity Ratio	Debt(4) over total shareholders' equity	0.92	1.67	-45%	Movement due to increase in share capital (fresh issue) during the year.
c)	Debt Service Coverage Ratio	EBIT (1) over debt	0.14	(0.01)	NA	Movement due to profitability during the current year.
d)	Return on Equity Ratio	PAT (3) over total average equity	1.90%	-34.05%	NA	Movement due to increase in equity and profitability during the current year.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

42. ANALYTICAL RATIOS (Contd.)

Ratio		Methodology	As at 31 March 2026	As at 31 March 2025	% change from 31 March 2025 to 31 March 2026	Explanation for the variance
e)	Inventory Turnover Ratio	Cost of goods sold over average inventory	0.65	0.83	-22%	NA - as the variance is less than 25%
f)	Trade receivables turnover ratio	Revenue from operations over average trade receivables	372.59	443.48	-16%	NA - as the variance is less than 25%
g)	Trade payables turnover ratio	Net credit purchases(5) over average trade payables	11.03	7.82	41%	Movement on account of decrease in trade payables
h)	Net Capital Turnover Ratio	Revenue from operations over average working capital	2.68	10.99	-76%	Movement on account of increase in revenue and inventory
i)	Net Profit Ratio	Net profit over revenue	1.07%	-12.38%	NA	Movement due to increase in revenue and profitability in current year
j)	Return on Capital Employed	PBIT (2) over average capital employed(6)	11.20%	-0.95%	NA	Movement on account of profitability and increase in capital employed
k)	Return on Investment	Profit before tax over total assets	0.53%	-6.20%	NA	Movement on account of profitability

Notes:

1. EBIT - Earnings before interest and taxes.
2. PBIT - Profit before interest and taxes including other income.
3. PAT - Profit after taxes.
4. Debt includes current and non-current lease liabilities.
5. Credit purchases means gross credit purchases after deducting purchase returns. Gross credit purchases includes other expenses.
6. Capital employed refers to total shareholders' equity and debt.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

43. RELATIONSHIP WITH STRUCK OFF COMPANIES

There are no transactions with the struck off companies during the year ended 31 March 2026 and 31 March 2025.

44. SEGMENT REPORTING

The Company is engaged in design, manufacture and sale of jewellery, which constitutes a single segment. Accordingly, there are no separate reportable primary segments. Refer note 2.2.16.

The information relating to revenue from external customers has been disclosed as given below:

Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Domestic	24,412.30	17,700.02
Export	-	-
Total	**24,412.30**	**17,700.02**

Non-current assets

The entire non-current assets of the Company are located in India. Accordingly, no separate disclosure is required for non-current assets by geographical area outside India.

45. PROMOTER CONTRIBUTION

Securities premium includes ₹ 76.83 million contributed by the Promoter of the Company towards the "Promoter contribution shortfall amount" in compliance with Regulation 15 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations.

46. COMMITMENTS AND CONTINGENCIES

Commitments

Estimated amount of Contracts remaining to be executed on capital account (net of advances) is ₹ 114.55 million (31 March 2025 - ₹ 248.30 million).

Contingent liabilities

As of the 31 March 2026 and 31 March 2025, the Company has assessed its obligations and confirms that there are no contingent liabilities requiring disclosure.

47. OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

(vii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(viii) Details of Inter-corporate deposits given and investments made during the year as per Section 186 of the Act:

Name of the entity	Nature of relationship	Secured/ unsecured	Purpose	Rate of interest	Term	As at 1 April 2025	Movement during the period	As at 31 March 2026
Inter-corporate deposits								
Blacksoil Capital Private Limited	Others	Unsecured	ICD against vendor financing	7.00%	12 months	31.25	33.50	64.75
Capsave Finance Private Limited	Others	Unsecured	FD lien against WCDL	NA	12 months	20.00	(19.45)	0.55

Name of the entity	Nature of relationship	Purpose	As at 1 April 2025	Investment made during the period	Investment sold/impaired during the year	As at 31 March 2026
Investments						
Ethereal House Private Limited	Subsidiary	Strategic investment	167.98	252.00	-	419.98
Redefine Fashion Private Limited	Associate	Strategic investment	105.00	-	-	105.00

48. AUDIT TRAIL COMPLIANCE

Pursuant to the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014:

a. The Company maintains its books of account in an accounting software whose audit trail (edit log) feature at the application level was enabled and operated throughout the year for all relevant transactions, with no instance of tampering noted, and has been preserved as required by statute. The underlying database is maintained by a third-party service provider; in the absence of adequate coverage in the SOC report, management is unable to comment on whether an audit trail feature exists at the database level for direct data changes, whether it was enabled and operated throughout the year, whether any tampering occurred, or whether such trails have been preserved for prior years.

b. In respect of the inventory management and POS (revenue) softwares, the audit trail feature was not enabled at the database level to log direct data changes. To the extent enabled, it operated throughout the year for all relevant transactions with no instance of tampering noted, and such trails have been preserved as required by statute, including for prior years.

c. In respect of the lease-processing software maintained by a third-party service provider, in the absence of adequate coverage in the SOC report, management is unable to comment on whether the software has an audit trail feature, whether it was enabled and operated throughout the year, whether any tampering occurred, or whether such trails have been preserved for prior years.

d. In respect of the payroll software used up to July 16, 2025 and maintained by a third-party service provider, in the absence of a SOC report, management is unable to comment on whether the software has an audit trail feature, whether it was enabled and operated throughout the year, whether any tampering occurred, or whether such trails have been preserved for prior years.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

49. MAINTENANCE OF BOOKS OF ACCOUNTS ON SERVER IN INDIA

The Company has used certain accounting software applications for maintaining its books of account during the year ended March 31, 2026. Management confirms that, except as stated below, the books of account and other relevant books and papers maintained in electronic mode are accessible in India at all times and that backup of such records is maintained on a daily basis on servers physically located in India, in compliance with the requirements of the Companies (Accounts) Rules, 2014, as amended. However:

i) in respect of the payroll processing software used up to July 15, 2025, management is unable to assess whether backup of the books of account and other books and papers maintained in electronic mode was preserved on servers physically located in India on a daily basis, due to the non-availability of a Service Organization Controls (SOC) report from the service provider.

ii) In respect of the lease processing software, management is unable to assess whether backup of the books of account and other books and papers maintained in electronic mode was maintained on a daily basis as required, as the SOC report obtained does not provide adequate evidence regarding the relevant backup controls.

Accordingly, management is unable to comment on compliance with the aforesaid requirements in respect of the above-mentioned software applications.

50. FAIR VALUE OF CONTINGENT CALL OPTIONS

As at 31 March 2026, the Company has recognized a financial asset representing the fair value of contingent call options under the Shareholders' Agreement dated 06 January 2025, with Ethereal House Private Limited ("Ethereal"). These options are linked to the achievement or non-achievement of specific revenue and EBITDA milestones over defined periods.

The fair value has been determined using a Monte Carlo Simulation technique, based on projected revenues, EBITDA margins, and net asset values. The model incorporates assumptions regarding revenue growth, volatility based on comparable listed companies, and risk-free interest rates as published by FIMMDA. The valuation considers the probability of milestone achievement or failure, with contingent rights triggered only upon non-achievement conditions.

The fair value of ₹ 18.22 million (31 March 2025: ₹ 52.16 million) has been recognized as a financial asset under 'Financial Assets at Fair Value through Profit or Loss' in the financial statements. Any subsequent changes in fair value will be recognized in profit or loss in accordance with applicable accounting standards.

51. INVESTMENT IN SUBSIDIARY:

During the current financial year, the Company the Company had acquired 92,172 fully paid compulsory convertible preference shares of ₹ 10 each of Ethereal House Private Limited (EHPL) on a premium of ₹ 2,724 per share aggregating to total consideration of ₹ 252.00 million on a preferential basis pursuant to the Shares Subscription Agreement dated 06 January 2025 ("Agreement").

52. EVENTS AFTER THE REPORTING PERIOD

The Company evaluated all events or transactions that occurred after 31 March 2026 up through 23 April 2026, the date the standalone financial statements were approved for issue by the Board of Directors. Based on this evaluation, the Company is not aware of any events or transactions that would require recognition or disclosure in the standalone financial statements.

53. During the current financial year, the Company has completed its Initial Public Offe ("IPO") of 29,799,798 equity shares of face value of ₹ 1 each comprising of fresh issue of 15,860,735 equity shares at an issue price of ₹ 517 per equity share aggregating to ₹ 8,200 million and an offer for sale of 13,939,063 equity shares at an issue price of ₹ 517 per equity share aggregating to ₹ 7406.50 million. Pursuant to IPO, equity shares of the Company were listed on BSE Limited and National Stock Exchange w.e.f. 19 August 2025.

The Company has received an amount of ₹ 7,707.49 million (net of IPO expenses of ₹ 492.51 million) from proceeds out of fresh issue of equity shares. The IPO expenses incurred of ₹ 413.38 million has been adjusted against securities premium.

Notes to the Standalone Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

The utilisation of net IPO proceeds is summarised below:

Objects of issue as per prospectus	Amount as proposed in the Offer Document	Amount utilized up to 31 March 2026	Total unutilised amount as on 31 March 2026
Working capital requirement	7,500.00	7,256.50	243.50
General corporate purpose	207.50	150.00	57.50
Issue expenses	492.50	227.20	265.30
Total	**8,200.00**	**7,633.70**	**566.30**

Out of the net proceeds which were unutilised as at 31 March 2026, ₹ 500 million are temporarily invested in fixed deposits and ₹ 66.30 million is held in the Company's public account.

54. THE CODE ON SOCIAL SECURITY, 2020

Effective 21 November 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations.

Based on the best information available and in line with the guidance issued by the Institute of Chartered Accountants of India, the Company has assessed and disclosed the incremental impact of these changes. The incremental impact, amounting to ₹ 4.15 million relating to gratuity and long-term compensated absences, primarily arises from the revised definition of wages.

The Company continues to monitor the finalisation of Central/State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

55. Previous year's figures have been regrouped/reclassified, wherever necessary, to conform to current year classification.

As per our report of even date
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm registration number: 105047W/W101187

For and on behalf of Board of directors of
BlueStone Jewellery and Lifestyle Limited

Ankush Agrawal
Partner
Membership No: 159694

Place: Bangalore
Date: 23 April 2026

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 23 April 2026

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 23 April 2026

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 23 April 2026

Paras Shah
Company Secretary
Membership No: 30357

Place: Bangalore
Date: 23 April 2026

Independent Auditor's Report

To the Members of BlueStone Jewellery Lifestyle Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of BlueStone Jewellery Lifestyle Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards 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, of their consolidated state of affairs of the Group and its associate as at March 31, 2026, of consolidated profit (including other comprehensive income), its consolidated cash flows and consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1.	**Revenue Recognition – refer note 2.2.7 and 26 of the consolidated financial statement** The revenue of the Holding Company consists primarily of sale of jewellery products from multiple operating models, including owned retail outlets, online sales, and franchisee business. Revenue recognition under these models involves varying terms and conditions relating to pricing, discounts, returns, incentives, loyalty programmes, and timing of transfer of control.	Our audit procedures include the following: • Evaluated the design and implementation of financial controls and tested their operating effectiveness with respect to revenue recognition process. This evaluation includes test of IT general controls and key application controls over the IT system which impact revenue recognition.

KEY AUDIT MATTERS (Contd.)

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
	The Holding Company processes a high volume of transactions on a daily basis across multiple systems and locations, primarily with retail customers, which increases the risk of errors in recording revenue due to system configuration issues, manual interventions, or data integrity challenges. Further, the assessment of appropriate timing of revenue recognition and completeness of revenue recorded involves significant reliance on automated IT systems and controls. Given the quantitative significance of revenue to the consolidated financial statements, the complexity arising from multiple business models, and the inherent risk of material misstatement due to error or fraud, revenue recognition was considered a key audit matter.	• Tested the accuracy of retail revenue recorded during the year by examining that the sale of goods transactions are in agreement with the cash/credit card/online receipts and deposit of cash amounts recorded in daily cash reports with bank remittances, on sample basis. • Performed substantive testing for samples of revenue transactions by inspecting relevant underlying documents including sale invoices. • Performed cash counts, on a test check basis, at selected stores and examined whether the cash balances are in agreement with the cash receipts reported in the daily collection report. • Tested credit notes issued to retail customers and franchisee partners on sample basis pertaining to sales returns during the year and subsequent to the year end. • Tested manual adjustments impacting revenue including credit notes etc., by inspecting supporting documents and understanding business rationale, where necessary; • Tested sales transactions on a test check basis on sales made immediately pre and post year-end, agreed the period of revenue recognition to the underlying documents. • Assessed the appropriateness of the accounting policy for revenue recognition as per relevant accounting standard. • Ensured the adequacy and appropriateness of disclosures in the consolidated financial statements in accordance with the requirements of Ind AS 115.
2.	**Existence of inventory – refer note 2.2.5 and 11 of the consolidated financial statements** The Holding Company's inventory comprises precious metals, gemstones, and jewellery items crafted from gold, diamonds, and other gemstones, held across multiple locations including manufacturing units and retail outlets. Such inventory is high-value, portable in nature, and consists of a large variety of individual items with varying purity, weight, quality, and design characteristics.	Our audit procedures include the following: • Evaluated the design and operating effectiveness of internal controls relating to inventory existence, including controls over physical verification, stock movement approvals, periodic reconciliations, and management oversight. • Attended physical inventory counts at selected locations, including retail outlets and manufacturing facilities, and observing Holding Company's management counting procedures.

KEY AUDIT MATTERS (Contd.)

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
	The existence of inventory is subject to inherent risk due to factors such as susceptibility to theft, loss, damage, and human error in handling or recording, particularly given the decentralised storage and frequent movement of goods between locations. In addition, the verification of inventory existence requires reliance on physical counts, specialised identification procedures, and robust internal controls, including segregation of duties and secure custody arrangements. Given the materiality of inventory balances to the consolidated financial statements, the judgement involved in verifying physical existence, and the audit effort required due to the nature of inventory, inventory existence was considered a key audit matter.	• Performed independent test counts, including verification of item descriptions, gross weight, net weight, purity, and unique identification numbers, and reconciling physical quantities to inventory records. • Obtained independent confirmations for inventory held with job workers as of the year end. • Performed cut-off testing around the reporting date to assess whether inventory movements were recorded in the appropriate accounting period. • Obtain the records of physical verification and inventory reconciliation performed by the Holding Company management as at the year end.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report, Management Discussion and Analysis Report, but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company 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 and of its associate are responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 consolidated financial statements.

We give in **"Annexure A"** a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books, except that (i) in case of an accounting software used by the Holding Company, that is part of books of accounts, in the absence of sufficient appropriate audit evidence we are unable to comment whether back-up of the books of account and other books and papers maintained in electronic mode, have been kept in servers physically located in India on a daily basis, (ii) in case of another accounting software used by the Holding Company, that is part of books of accounts, in the absence of adequate coverage in SOC report, we are unable to comment whether back-up of the books of account and other books and papers maintained in electronic mode, is maintained on a daily basis, as explained in Note 52 to the consolidated financial statements and except for the matters stated in paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management from directors of its subsidiary and associate company which are incorporated in India, none of the directors of the Group companies and associate incorporated in India are disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 1(b) above on reporting under Section 143(3)(b) and paragraph 1(h)(vi) below on reporting under Rule 11(g).

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and its associate company incorporated in India and the operating effectiveness of such controls, refer to our separate report in **“Annexure B”**.

(h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. There were no pending litigations which would impact the consolidated financial position of the Group and its associate.

ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary company and associate company incorporated in India during the year ended March 31, 2026.

iv. a. The respective Managements of the Holding Company and its subsidiary and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 49(iv) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary and associate to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary and associates (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The respective Managements of the Holding Company, and its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 49(v) to consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary and associate from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary and associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. The Holding Company, subsidiary company and associate company incorporated in India have neither declared nor paid any dividend during the year.

vi. a. Based on our examination which included test checks, the Group and its associate has used certain accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the software except as follows:

i. no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes as explained in Note 51 to the consolidated financial statements.

ii. we are unable to comment on audit trail at database level in respect of an accounting software used by the Holding Company due to absence adequate coverage in SOC report as explained in Note 51 to the consolidated financial statements.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting softwares. Also, during the course of our audit and considering SOC report, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior years, where applicable, has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

b. Based on our examination which included test checks, the Holding Company has used certain accounting softwares for maintaining its books of accounts for processing of payroll (upto July 16, 2025) and processing of leases, which is managed and maintained by a third-party software service provider as explained in note 51 to the consolidated financial statements. However, in absence of sufficient and appropriate audit evidence including SOC report, we are unable to comment whether these accounting softwares has a feature of recording audit trail (edit log) facility and whether the same has operated throughout the year for all relevant transactions recorded in the software or whether there is any instance of audit trail feature being tampered with. Additionally, we are unable to comment whether the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention prescribed under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

2. In our opinion, according to information, explanations given to us, the remuneration paid or provided by the Holding Company and its subsidiary company to its directors is within the limits laid prescribed under Section 197 read with Schedule V to the Act. Further, the provisions of Section 197 of the Act are not applicable to the associate company, being a private company.

3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, based on the CARO reports issued by us, we report that there are no qualifications or adverse remarks in the CARO reports of the companies included in the consolidated financial statements.

Sr. No	Name of the Company	CIN	Type of Company (Holding/ Subsidiary)	Clause number of the CARO Report which is qualified or Adverse
1.	BlueStone Jewellery Lifestyle Limited	L72900KA2011PLC059678	Holding Company	Clause xvii
2.	Ethereal House Private Limited	U32111HR2024PTC124350	Subsidiary Company	Clause vii(a) Clause xvii

Further, in respect of associate incorporated in India, being a small company as defined in clause (85) of section 2 of the Act, included in the Consolidated Financial Statements for the year ended March 31, 2026, reporting under CARO is not applicable.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Ankush Agrawal
Partner
Membership No.: 159694
UDIN: 26159694CAQCKF4199

Place: Bangalore
Date: April 23, 2026

"Annexure A"

To the independent auditor's report of even date on the consolidated financial statements of BlueStone jewellery and lifestyle limited

Auditor's Responsibilities for the Audit of the 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 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to 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 the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors 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 ability of the Group and its associate 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 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 and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Ankush Agrawal
Partner
Membership No.: 159694
UDIN: 26159694CAQCKF4199

Place: Bangalore
Date: April 23, 2026

"Annexure B"

To the independent auditor's report of even date on the consolidated financial statements of BlueStone jewellery and lifestyle limited

[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of BlueStone Jewellery and Lifestyle Limited on the Consolidated Financial Statements for the year ended March 31, 2026]

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

OPINION

In conjunction with our audit of the consolidated financial statements of the BlueStone Jewellery and Lifestyle Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary, which is a Company incorporated in India (Holding Company and its subsidiary together referred to as "the Group").

Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to associate company incorporated in India, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

In our opinion, and to the best of our information and according to the explanations given to us, the Group have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to the financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Management and the Board of Directors of the Holding Company and its subsidiary, which is a Company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Group.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Ankush Agrawal
Partner
Membership No.: 159694
UDIN: 26159694CAQCKF4199

Place: Bangalore
Date: April 23, 2026

(All amounts are in INR million unless otherwise stated)

Consolidated Balance Sheet

As at 31 March 2026

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
Assets			
Non-current assets			
Property, plant and equipment	3	2,662.48	2,659.88
Right-of-use assets	4	8,655.21	7,432.77
Capital work-in-progress	5	27.49	43.57
Other intangible assets	6a	25.60	36.81
Intangible asset under development	6b	-	10.28
Investment accounted for using the equity method	7	30.04	85.56
Financial assets			
i) Other financial assets	8	748.63	2,123.00
Non-current tax assets (net)	9	99.00	117.47
Other non-current assets	10	1,750.34	1,516.02
Total non-current assets		**13,998.79**	**14,025.36**
Current assets			
Inventories	11	26,718.09	16,525.47
Financial assets			
i) Investments	12	436.14	508.35
ii) Loans	13	0.02	-
iii) Trade receivables	14	75.43	56.06
iv) Cash and cash equivalents	15	1,075.24	487.75
v) Bank balances other than (iv) above	16	4,041.48	1,381.18
vi) Other financial assets	8	3,015.42	1,993.89
Other current assets	10	249.51	344.75
Total current assets		**35,611.33**	**21,297.45**
Total assets		**49,610.12**	**35,322.81**
Equity and liabilities			
Equity			
Equity share capital	17	152.23	296.56
Share application money pending allotment		0.02	
Other equity	18	17,854.70	8,771.18
Equity attributable to the owners of the parent		**18,006.95**	**9,067.74**
Non-Controlling Interest	18	23.08	39.66
Total Equity		**18,030.03**	**9,107.40**
Non-current liabilities			
Financial liabilities			
i) Borrowings	19	2,010.58	1,972.83
ii) Lease liabilities	20	8,218.58	7,052.70
iii) Other financial liabilities	21	30.82	143.31
Provisions	22	51.75	35.44
Total non-current liabilities		**10,311.73**	**9,204.28**
Current liabilities			
Financial liabilities			
i) Borrowings	19	5,432.65	5,313.35
ii) Gold on loan	23	2,848.14	3,865.53
iii) Lease liabilities	20	1,329.00	943.79
iv) Trade payables	24		
(a) Total outstanding dues of micro enterprises and small enterprises		399.56	282.97
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,204.26	1,364.38
v) Other financial liabilities	21	2,420.88	2,348.79
Provisions	22	36.87	28.46
Other current liabilities	25	7,597.00	2,863.86
Total current liabilities		**21,268.36**	**17,011.13**
Total liabilities		**31,580.09**	**26,215.41**
Total equity and liabilities		**49,610.12**	**35,322.81**

The accompanying notes are an integral part of these Consolidated financial statements

As per our report of even date
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm registration number: 105047W/W101187

For and on behalf of Board of directors of
BlueStone Jewellery and Lifestyle Limited

Ankush Agrawal
Partner
Membership No: 159694

Place: Bangalore
Date: 23 April 2026

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 23 April 2026

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 23 April 2026

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 23 April 2026

Paras Shah
Company Secretary
Membership No: 30357

Place: Bangalore
Date: 23 April 2026

(All amounts are in INR million unless otherwise stated)

Consolidated Statement of Profit and Loss

For the year ended 31 March 2026

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	**26**	24,364.24	17,700.02
Other income	**27**	495.76	600.34
Total income		**24,860.00**	**18,300.36**
Expenses			
Cost of materials consumed	**28**	22,043.45	17,215.35
Purchases of stock-in-trade	**29**	127.52	-
Change in inventories of finished goods, work-in-progress and stock-in-trade	**30**	(8,241.16)	(6,230.46)
Employee benefits expense	**31**	2,824.43	2,026.02
Finance costs	**32**	2,104.11	2,075.45
Depreciation and amortization expense	**33**	2,099.27	1,474.89
Other expenses	**34**	3,715.07	3,938.04
Total expenses		**24,672.69**	**20,499.29**
Profit/(Loss) before share of profit/(loss) of an investment accounted for using the equity method and tax		**187.31**	**(2,198.93)**
Share of loss of investment accounted for using the equity method	**50**	(55.52)	(19.44)
Profit/(Loss) before tax		**131.79**	**(2,218.37)**
Tax expenses:			
Current tax	**36**	-	-
Deferred tax	**36**	-	-
Total tax expenses		**-**	**-**
Profit/(Loss) for the year	**A**	**131.79**	**(2,218.37)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
i. Re-measurement of employee defined benefit plans	**35**	(0.23)	(8.10)
ii. Income tax on (i) above	**36**	-	-
Net other comprehensive loss for the year, net of tax	**B**	**(0.23)**	**(8.10)**
Total comprehensive income/(loss) for the year	**A+B**	**131.56**	**(2,226.47)**
Profit/(Loss) attributable to:			
Owners of the Parent		148.37	(2,216.69)
Non-Controlling Interest		(16.58)	(1.68)
		131.79	**(2,218.37)**
Other comprehensive income attributable to:			
Owners of the Parent		(0.23)	(8.10)
Non-Controlling Interest		-	-
		(0.23)	**(8.10)**
Total comprehensive income attributable to:			
Owners of the Parent		148.14	(2,224.79)
Non-Controlling Interest		(16.58)	(1.68)
		131.56	**(2,226.47)**
Earnings per share (in INR) (Nominal value of INR 1 each)			
Basic	**38**	1.10	(79.74)
Diluted	**38**	1.05	(79.74)

The accompanying notes are an integral part of these Consolidated financial statements

As per our report of even date
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm registration number: 105047W/W101187

For and on behalf of Board of directors of
BlueStone Jewellery and Lifestyle Limited

Ankush Agrawal
Partner
Membership No: 159694

Place: Bangalore
Date: 23 April 2026

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 23 April 2026

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 23 April 2026

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 23 April 2026

Paras Shah
Company Secretary
Membership No: 30357

Place: Bangalore
Date: 23 April 2026

(All amounts are in INR million unless otherwise stated)

Standalone Statement of Cash Flows

For the year ended 31 March 2026

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
A. Cash flows from operating activities		
Profit/(Loss) before tax	**131.79**	**(2,218.37)**
Adjustments for non cash items and other adjustments:		
Depreciation and amortisation	2,099.27	1,474.89
Expense on employee stock option scheme	926.67	512.39
Finance costs	2,061.71	2,038.13
Share of loss of Associate	55.52	19.44
Interest income	(356.23)	(351.78)
Loss on sale of property, plant and equipment (net)	31.05	19.48
Rent waiver on lease liabilities	-	(3.88)
Gain on mutual fund	(30.31)	(39.31)
Liabilities no longer required written back	(67.12)	(95.16)
Gain on termination of lease	(15.73)	(10.84)
Fair value loss/(gain) on call option – subsidiary	33.94	(52.16)
Intangible asset under development written off	10.28	
Unwinding of interest on financial assets carried at amortised cost	(35.10)	(28.23)
Operating profit before working capital changes	**4,845.74**	**1,264.60**
Working capital adjustments:		
(Increase)/Decrease in other financial assets	(311.72)	216.35
Increase in other assets	(139.92)	(723.34)
Increase in inventories	(10,192.62)	(6,613.26)
(Increase)/Decrease in loans	(0.02)	0.39
Increase in trade receivables	(19.37)	(32.29)
Decrease in other financial liabilities	(41.39)	(547.42)
Increase in provisions	24.49	1.35
Decrease in gold on loan	(1,017.39)	(559.08)
Increase/(Decrease) in trade payables	23.59	(424.98)
Increase in other current liabilities	4,819.22	840.55
Cash used in operations	**(2,009.39)**	**(6,577.13)**
Income tax paid (net)	18.47	(81.14)
Net cash used in operating activities (A)	**(1,990.92)**	**(6,658.28)**
B. Cash flows from investing activities		
Acquisition of property, plant and equipment (including capital work-in-progress and capital advances)	(986.62)	(1,630.88)
Proceeds from sale of property, plant and equipment	221.92	7.80
Acquisition of intangible assets	(3.33)	(39.03)
Payment for acquisition of associate	-	(105.00)
Investment in fixed deposits	(17,054.73)	(6,117.20)
Redemption of fixed deposits	14,988.48	7,141.32
Investment in mutual funds	(1,104.50)	(3,395.00)
Redemption of mutual funds	1,207.02	2,925.96
Interest received on fixed deposits	338.82	369.70
Net cash used in investing activities (B)	**(2,392.94)**	**(842.33)**
C. Cash flows from financing activities		
Proceeds from issue of equity shares (net of IPO expenses)	7,864.37	1,092.97
Share application money pending allotment	0.02	-
Proceeds from issue of preference shares	-	5,978.39
Proceeds from borrowings (Refer note b(i) below)	20,719.58	8,254.26
Repayment of borrowings (Refer note b(i) below)	(20,562.53)	(5,272.34)
Interest paid (Refer note b(i) below)	(1,417.28)	(1,526.95)
Repayment of lease liabilities (Refer note b(ii) below)	(1,632.81)	(1,129.32)
Net cash generated from financing activities (C)	**4,971.35**	**7,397.01**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**587.49**	**(103.60)**
Cash and cash equivalents at the beginning of the year	487.75	591.35
Cash and cash equivalents at the end of the year (Note no. 16)	**1,075.24**	**487.75**

(All amounts are in INR million unless otherwise stated)

Notes:

(a) Above Cash Flows Statement has been prepared under indirect method in accordance with the Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows".

(b) Reconciliation of movements in liabilities arising from financing activities:

Particulars	01 April 2024	Non cash changes			Cash flows	31 March 2025
		Fair value changes/ Adjustments	Finance cost accrued during the year	Additions (Net)		
i) Borrowings (including interest)	4,297.27	6.99	1,526.95	-	1,454.97	7,286.18
ii) Lease liabilities	4,889.24	(3.88)	509.36	3,731.09	(1,129.32)	7,996.49

Particulars	01 April 2025	Non cash changes			Cash flows	31 March 2026
		Fair value changes/ Adjustments	Finance cost accrued during the year	Additions (Net)		
i) Borrowings (including interest)	7,286.18	-	1,417.28	-	(1,260.22)	7,443.23
ii) Lease liabilities	7,996.49	-	643.43	2,540.47	(1,632.81)	9,547.58

The accompanying notes are an integral part of these Consolidated financial statements

As per our report of even date
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm registration number: 105047W/W101187

For and on behalf of Board of directors of
BlueStone Jewellery and Lifestyle Limited

Ankush Agrawal
Partner
Membership No: 159694

Place: Bangalore
Date: 23 April 2026

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 23 April 2026

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 23 April 2026

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 23 April 2026

Paras Shah
Company Secretary
Membership No: 30357

Place: Bangalore
Date: 23 April 2026

(All amounts are in INR million unless otherwise stated)

Consolidated Statement of Changes in Equity

For the year ended 31 March 2026

A. EQUITY SHARE CAPITAL

Equity shares of INR 1 each, fully paid up

	Note	Number	Amount
As at 01 April 2024		**1,81,51,940**	**18.16**
Changes in equity share capital during the year	**17**	1,70,83,060	17.08
As at 31 March 2025		**3,52,35,000**	**35.24**
Changes in equity share capital during the year	**17**	11,69,96,365	117.00
As at 31 March 2026		**15,22,31,365**	**152.23**

Preference shares of INR 10 each, fully paid up

	Note	Number	Amount
As at 01 April 2024		**2,60,79,102**	**260.78**
Changes in preference share capital during the year	**17**	(9,84,790)	(9.84)
As at 31 March 2025		**2,50,94,312**	**250.94**
Changes in preference share capital during the year	**17**	(2,50,94,312)	(250.94)
As at 31 March 2026		**-**	**-**

Preference shares of INR 1 each, fully paid up

	Note	Number	Amount
As at 01 April 2024		**-**	**-**
Changes in preference share capital during the year	**17**	1,03,80,622	10.38
As at 31 March 2025		**1,03,80,622**	**10.38**
Changes in preference share capital during the year	**17**	(1,03,80,622)	(10.38)
As at 31 March 2026		**-**	**-**
Total Share capital as at 31 March 2025		**7,07,09,934.00**	**296.56**
Total Share capital as at 31 March 2026		**15,22,31,365**	**152.23**

(All amounts are in INR million unless otherwise stated)

B. OTHER EQUITY

Particulars	Reserves and surplus			Other comprehensive income	Total other equity	Non-controlling interest	Total
	Securities Premium	Retained earnings	Share options outstanding account	Re-measurement of (gain)/loss			
As at 01 April 2024	**25,221.43**	**(22,325.48)**	**553.00**	**13.82**	**3,462.77**	**-**	**3,462.77**
Loss for the year	-	(2,216.69)	-	-	(2,216.69)	(1.68)	(2,218.37)
Other comprehensive income (net of tax)	-	-	-	(8.10)	(8.10)	-	(8.10)
Adjustments for changes in ownership interests	-	(41.14)	-	-	(41.14)	41.34	0.20
Premium received on issue of shares (net of expenses)	7,214.08	-	-	-	7,214.08	-	7,214.08
Options granted during the year (net of exercised)	-	-	344.48	-	344.48	-	344.48
Conversion of compulsorily convertible preference shares to Equity (Refer note 17c)	8.86	-	-	-	8.86	-	8.86
Conversion of optionally convertible redeemable preference shares to equity (Refer note 17c)	6.92	-	-	-	6.92	-	6.92
	7,229.86	**(2,257.83)**	**344.48**	**(8.10)**	**5,308.41**	**39.66**	**5,348.07**
As at 31 March 2025	**32,451.29**	**(24,583.31)**	**897.48**	**5.72**	**8,771.18**	**39.66**	**8,810.84**
Profit for the year	-	148.37	-	-	148.37	(16.58)	131.79
Other comprehensive income (net of tax)	-	-	-	(0.23)	(0.23)	-	(0.23)
Premium received on issue of shares (net of expenses)	8,027.23	-	-	-	8,027.23	-	8,027.23
Options granted during the year (net of exercised)	-	-	747.05	-	747.05	-	747.05
Conversion of compulsorily convertible preference shares to Equity (Refer note 17c)	161.10	-	-	-	161.10	-	161.10
	8,188.33	**148.37**	**747.05**	**(0.23)**	**9,083.52**	**(16.58)**	**9,066.94**
As at 31 March 2026	**40,639.62**	**(24,434.94)**	**1,644.53**	**5.49**	**17,854.70**	**23.08**	**17,877.78**

The accompanying notes are an integral part of these Consolidated financial statements

As per our report of even date
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm registration number: 105047W/W101187

For and on behalf of Board of directors of
BlueStone Jewellery and Lifestyle Limited

Ankush Agrawal
Partner
Membership No: 159694

Place: Bangalore
Date: 23 April 2026

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
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Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 23 April 2026

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 23 April 2026

Paras Shah
Company Secretary
Membership No: 30357

Place: Bangalore
Date: 23 April 2026

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

1. GENERAL INFORMATION

BlueStone Jewellery and Lifestyle Limited ("the Company" or "Holding Company"), and Ethereal House Private Limited ("its subsidiary") (collectively, the "Group") is primarily involved in manufacturing and sale of jewellery.

Redefine Fashion Private Limited ("the Associate") is primarily engaged in the business of providing designing, manufacturing, marketing and selling footwear and accessories through D2C, B2B, B2C, including e- commerce.

BlueStone Jewellery and Lifestyle Limited is a public company domiciled in India, with its registered office in Bangalore. The Company has been incorporated under the provisions of the Indian Companies Act and its equity shares are listed on the National Stock Exchange (NSE) and BSE Ltd. in India.

The consolidated financial statements comprise the financial statements of the Group and it's Associate as at and for the year ended 31 March 2026.

2. BASIS OF PREPARATION, USE OF ESTIMATES, ASSUMPTIONS & JUDGEMENTS AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation and use of estimates, assumptions & judgements

(i) Overall consideration

These consolidated financial statements have been prepared on going concern basis using the material accounting policies and measurement bases summarised below.

These accounting policies have been used consistently throughout all periods presented in the consolidated Financial Statements, unless otherwise stated.

These consolidated financial statements were authorised for issue by the Company's Board of Directors as on 23 April 2026.

(ii) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with the Indian Accounting standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 read with section 133 of the Companies Act 2013 ('the Act') and other relevant provisions of the Act. The Company's consolidated financial statement consistently apply uniform accounting policies across all periods.

These financial statements were authorised for issue by the Company's Board of Directors as on 23 April 2026.

(iii) Functional and presentation currency

Items included in the Consolidated financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the “functional currency”). The Consolidated financial statements are presented in Indian Rupee ("₹" or "INR"), which is Company's functional and presentation currency and is rounded-off to the nearest million except when otherwise indicated.

(iv) Basis of Measurement

These Consolidated financial statements have been prepared on an accrual basis under the historical cost convention except for the following items:

a) Certain financial assets and liabilities that are measured at fair value.

b) Share based payments that are measured at fair value.

c) Net defined benefit liability that are measured at fair value of present value of defined benefit obligations.

d) Right of use assets and lease liabilities are measured at fair value as per IND AS 116.

e) Security deposits are measured at fair value as per IND AS 109.

f) Derivative instruments in designated hedge accounting relationship.

g) Call Option.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

(v) Measurement of fair values

The Group accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of assets or liability fall into different levels of fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(vi) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet 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 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 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 Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(vii) Principles of Consolidation

The Consolidated Financial statements comprises of financial statements of the Group and its associate for the year ended 31 March 2025. The Company has made investment in the Subsidiary w.e.f. 6 January 2025 and associate w.e.f 11 November 2024.

The financial statements 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 31 March 2026.

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.

Associate - Interest in equity accounted investees

Where the Group has the power to participate in (but not control) the financial and operating policy decisions of another entity, it is classified as an associate. Investment in associate are accounted for using the equity method of accounting. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in statement of consolidated profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Consolidation procedures

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 the Consolidated Financial Statement. 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.

Non - controlling interests

The Group has the choice, on a transaction by transaction basis, to initially recognise any non-controlling interest in the acquiree which is a present ownership interest and entitles its holders to a proportionate share of the entity's net assets in the event of liquidation at either acquisition date fair value or, at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. Other components of non-controlling interest such as outstanding share options are generally measured at fair value. The Group has not elected to take the option to use fair value in acquisitions completed to date.

The total comprehensive income of non-wholly owned subsidiaries is attributed to owners of the parent and to the non-controlling interests in proportion to their relative ownership interests."

The subsidiary company which are included in the consolidation and the Company's holdings therein are as under:

Name of the company	Country of incorporation	Ownership interest 31 March 2026*	Ownership interest 31 March 2025*
Ethereal House Private Limited	India	75.51%	75.51%

The associate company which are included in the consolidation and the Company's holdings therein are as under:

Name of the company	Country of incorporation	Ownership interest 31 March 2026*	Ownership interest 31 March 2025*
Redefine Fashion Private Limited	India	49.12%	51.19%

*On dilutive basis

viii) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-byacquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus

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the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfer of interests in entities that are under the common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entities are recorded in shareholders' equity. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for noncontrolling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

(ix) Use of estimates, assumptions and judgements

The preparation of Consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates, assumptions and judgement are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual result may differ from these estimates.

Estimates and assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ended 31 March 2026 is included in the following notes:

a) Note 2.2.11 - Estimation of current tax/deferred tax expenses and payable.

b) Note 2.2.8 - Estimation of defined benefit obligation.

c) Note 2.2.1 - Estimation of useful lives, residual values of property, plant & equipment.

d) Note 2.2.10 - Fair value measurement of financial instruments.

e) Note 2.2.4 - Leases - Whether an arrangement contains a lease.

f) Note 2.2.9 - Fair value of employee stock option plans.

g) Note 2.2.3 - Impairment testing of property, plant & equipment and Right-to-use assets.

h) Note 53 - Estimation of fair value of call option.

i) Note 2.2.10 - Derivative instruments in designated hedge accounting relationship.

2.2 Material accounting policies

2.2.1 Property, plant and equipment (PPE) and depreciation

The cost of any item of PPE shall be recognised as an asset only if it is probable that future economic benefit associated with the item will flow to the group and the cost of the item can be measured reliably.

Items of Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price/acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use.

Subsequent expenditure on property, plant and equipment after its purchase/completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Advance paid towards acquisition of fixed assets outstanding at each balance sheet date is disclosed as capital advances under non-current assets.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Consolidated statement of profit or loss. Capital work-in-progress comprises the cost of assets that are not ready for their intended use at the balance sheet date.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific

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useful lives. Repairs and maintenance costs are recognised in the statement of profit and loss as incurred.

The Group identifies and determines cost of each component/part of property, plant and equipment separately, if the component/part has a cost which is significant to the total cost of the property, plant and equipment and has useful life that is materially different from that of the remaining asset. Leasehold improvements are amortized over the estimated useful life of the asset or the lease period whichever is less.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of Property, plant and equipment and intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment and are recognized in the Consolidated statement of profit and loss when the Property, plant and equipment is derecognized.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight line method to allocate their cost over the useful lives of assets which is as follows:

Asset category	Management estimate of useful life	Useful life as per Schedule II
Leasehold improvements	5 years	5 to 10 years
Display items	2 years	2 years
Plant and machinery	15 years	10 to 15 years
Furniture and fixtures	10 years	10 years
Office equipment's	5 years	5 years
Computers	3 years	3 years
Vehicles	5 years	8 years

Depreciation for assets purchased/sold during the period is proportionally charged.

The residual value, useful life and the methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimate of useful life as given above best represent the period over which management expects to use these assets. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method as appropriate, and are treated as changes in accounting estimates.

2.2.2 Other intangible assets and amortization

a) Intangible assets acquired separately are measured on initial recognition at cost. Subsequent expenditure is capitalised only when it increases the future economic benefits attributable to the asset will flow to the Company and the cost of asset can be measured reliably. All other expenditure is recognised in profit or loss as incurred.

   Intangible assets are subsequently stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective estimated useful lives on a straight line basis, from the date that they are available for use.

b) Internally generated assets

Expenditure on research activities are recognised in the statement of profit and loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the assets. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses.

c) Amortization

Amortization is calculated to write off the cost of intangible asset less their estimated residual values over their estimated lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

Asset	Useful life
Application software	3 years

Trade marks are not amortised.

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For the year ended 31 March 2026

2.2.3 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, 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 group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet for possible reversal of an impairment loss recognized for an asset, in prior accounting periods.

2.2.4 Leases

The Group lease asset classes primarily consist of leases for certain stores facilities under non-cancellable lease arrangements. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases). For these short-term leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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 and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rate. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.2.5 Inventories

Inventories (other than quantities of gold for which the price is yet to be determined with the suppliers (Unfixed gold) or where hedge contracts have been entered into for quantities of gold and accounted for as fair value hedge) are stated at the lower of cost and net realisable value. Cost is determined as follows:

a) Gold is valued on First-in-First-out basis.

b) Raw materials are valued at weighted average rate except Solitaires which is valued on specific identification basis.

c) Work-in-progress and finished goods (other than gold) are valued at weighted average cost of production.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recoverable by the Company), freight inwards and other expenditure directly attributable to acquisition. Work in progress and finished goods include appropriate proportion of overheads.

Unfixed gold is valued at the provisional gold price prevailing on the period closing date.

Net realisable value represents the estimated selling price for inventories less estimated costs of completion and costs necessary to make the sale.

2.2.6 Foreign currency transactions

Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

As at the reporting date, foreign currency monetary items are translated using the closing rate and non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange gains and losses arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in the Statement of Profit or Loss in the year in which they arise.

2.2.7 Revenue recognition

(a) Sale of goods:

The Group maintains both physical stores and an online platform for business with its customers. The mode of operation in case of physical stores include Franchise owned & Company operated stores, Company owned & Company operated stores. The Company recognizes revenue when the control of goods being sold is transferred to the customer and when there are no longer any unfulfilled obligations.

The Group acts as the principal in its revenue arrangements and the franchisees qualify as agents, since it typically controls the goods or services before transferring them to the customer.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, right of return and other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

For contracts that permit the customer to return an item, revenue is recognised to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods assets are recognised. The right to recover returned goods asset is measured after reducing the average gross margin from the estimated refund liability. The refund liability is included in other current liabilities (note 25) and right to recover returned goods is included in other current assets (note 10). The Group reviews its estimate of expected returns at each reporting date and updates the amounts of the assets and liability accordingly.

(b) Sale of services:

Income from services rendered is recognized based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

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(c) Interest income:

Interest income is recognized on a time proportion basis, taking into account the amount outstanding and the rate applicable.

(d) Gift vouchers:

The amount collected on sale of a gift voucher is recognized as a liability and recognised as revenue on redemption by the customers or is transferred to other income on expiry as per the policy.

2.2.8 Employee benefits

(i) Short-term obligations

All short-term employee benefits such as salaries, wages, bonus, compensated absences and other benefits which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits are recognised on an undiscounted basis and charged to the statement of profit and loss.

A liability is recognised for the amount expected to be paid to employees, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Post-employment obligations

The Group operates the following post-employment schemes:

a) defined contribution plans - provident fund

b) defined benefit plans - gratuity plans

a) Defined contribution plans

The Group contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

b) Defined benefit plans

For defined benefit plans in the form of gratuity (unfunded), the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

2.2.9 Share based payments

Employees of the Group receive remuneration in the form of employee option plan of the Group (equity settled instruments) for rendering services over a defined vesting period. Equity instruments granted to the employees of the Group are measured by reference to the fair value of the instrument at the date of grant. The expense is recognised in the statement of profit and loss with a corresponding increase in equity (stock options outstanding account). The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation). At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit and loss, with a corresponding adjustment to equity. The stock option compensation expense is determined based on the Group estimate of equity instruments that will eventually vest.

The cost of the share based payments is determined by the fair value at the date when the grant is made using the Black-Scholes Model. The expected term of an option is estimated based on the vesting term and contractual life of the option. Expected volatility during the expected term of the option is based on the historical volatility of similar companies. Risk free interest rates are based on the government securities yield in effect at the time of the grant.

2.2.10 Financial Instruments

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. Financial instruments are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognized immediately in the Statement of Profit and Loss.

a) Financial Assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables are initially measured at transaction price.

(ii) Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

1. Financial assets carried at amortised cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset 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.

2. Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

3. Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iii) Impairment of financial assets

The Group generally operates on a cash and carry model except in the case of franchisee partners where there are adequate controls in place, and hence the expected credit loss allowance for trade receivables is insignificant. The concentration of credit risk is also limited due to the fact that the customer base is large and unrelated.

(iv) Derecognition of financial assets

A financial asset is derecognised only when the Group:

- has transferred the rights to receive cash flows from the financial asset; or

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are initially measured at fair value, net of directly attributable transaction costs. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

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For the year ended 31 March 2026

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

i. **Financial liabilities at fair value through profit or loss** - Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Compulsorily convertible preference shares and optionally convertible redeemable preference shares are designated and measured at FVTPL on initial recognition if they meet the definition of a liability as per Ind AS 32.

ii. **Financial liabilities at amortised cost (Loans and borrowings)** - After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. 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 EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) Derecognition

A financial liability is derecognised when the Group obligations are discharged or cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

c) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

d) Derivative financial instruments

The Company has adopted fair value hedge for the derivative contracts entered into and designated derivative contracts or non-derivative financial liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in commodity prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss with an adjustment to the carrying value of the hedged item. Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

The Company designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item i.e. fixed gold inventory due to movement in gold prices. The Company also designated the trade payables pertaining to gold taken on loan from banks ('unfixed gold') as a fair value hedge to the corresponding gold inventory purchased on loan.

2.2.11 Income tax

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax. It is recognised in the Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, the tax is also recognised in OCI or directly in equity.

(i) Current tax

Current tax comprises the expected tax payable or refund receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or refund receivable after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

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For the year ended 31 March 2026

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

2.2.12 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

2.2.13 Contingent Liabilities

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

2.2.14 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash on hand, amount at banks and other short-term deposits with an original maturity of three months or less that are readily convertible to known amount of cash and, which are subject to an insignificant risk of changes in value.

2.2.15 Cash flow statement

Consolidated Cash flows are reported using the indirect method, 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 Group are segregated.

2.2.16 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM'). The Board of Directors of the Company assesses the financial performance and position of the Group. The Managing Director has been identified as the CODM. The Group operates in one segment only i.e. Jewellery. The CODM evaluates the Company's performance based on the revenue and operating income from the sale of Jewellery. Accordingly, no additional segment disclosure has been made for the business segment.

In terms of geographical segment, since the Group operates only in India, there is only one geographical segment, i.e. India. Accordingly, no additional disclosure has been made for geographical segment information.

2.2.17 Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit/(loss) attributable to the shareholders of the Company.

- by the weighted average number of equity shares outstanding during the financial year, adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares), bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.2.18 Application of new accounting pronouncements

A) New and amended standards adopted by the Company:

The Ministry of corporate Affairs ("MCA") notified amendments on 7 May 2025 and 13 August 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025.

Amendment to Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

a) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

b) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.

c) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the consolidated financial statements of the Group. The Group did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

B) New standards or amendments not yet effective:

Amendment to Ind AS 1 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and non-current liabilities with covenants:

The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Group does not expect this amendment to have an impact on its operations or consolidated financial statements.

(All amounts are in INR million unless otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Leasehold improvements	Display Items	Plant and machinery	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Cost								
Balance as at 1 April 2024	**434.85**	**26.72**	**82.62**	**284.37**	**727.03**	**106.53**	**14.53**	**1,676.65**
Additions	874.91	-	220.39	349.50	396.58	50.30	2.52	1,894.20
Disposals	31.17	26.72	-	4.41	6.72	0.08	-	69.10
Balance as at 31 March 2025	**1,278.59**	**-**	**303.01**	**629.46**	**1,116.89**	**156.75**	**17.05**	**3,501.75**
Balance as at 1 April 2025	**1,278.59**	**-**	**303.01**	**629.46**	**1,116.89**	**156.75**	**17.05**	**3,501.75**
Additions	459.83	-	47.07	140.00	239.79	30.95	10.05	927.69
Disposals	28.57	-	6.09	142.31	165.68	0.11	-	342.76
Balance as at 31 March 2026	**1,709.85**	**-**	**343.99**	**627.15**	**1,191.00**	**187.59**	**27.10**	**4,086.68**
Accumulated depreciation								
Balance as at 1 April 2024	**135.40**	**24.58**	**11.13**	**36.99**	**176.27**	**51.51**	**2.52**	**438.40**
Depreciation expense for the year	156.15	-	14.13	46.74	183.70	41.33	3.24	445.29
Disposals*	14.83	24.58	-	0.44	1.98	0.00	-	41.82
Balance as at 31 March 2025	**276.72**	**-**	**25.26**	**83.29**	**358.00**	**92.84**	**5.76**	**841.87**
Balance as at 1 April 2025	**276.72**	**-**	**25.26**	**83.29**	**358.00**	**92.84**	**5.76**	**841.87**
Depreciation expense for the year	293.92	-	23.32	70.50	239.51	40.86	4.03	672.14
Disposals	12.63	-	1.26	21.89	53.94	0.09	-	89.81
Balance as at 31 March 2026	**558.01**	**-**	**47.32**	**131.90**	**543.57**	**133.61**	**9.79**	**1,424.20**
Carrying amount (net)								
As at 31 March 2025	**1,001.87**	**-**	**277.75**	**546.17**	**758.89**	**63.91**	**11.29**	**2,659.88**
As at 31 March 2026	**1,151.84**	**-**	**296.67**	**495.25**	**647.43**	**53.98**	**17.31**	**2,662.48**

* Amount less than ₹ 10,000

1. No impairment loss has been recognised during the current year or previous year.
2. No revaluation of property, plant and equipment were carried out during the current or previous year.
3. Refer note no. 48 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

4. LEASES

Lessee has applied a single recognition and measurement approach for all leases and recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

A. Following are the carrying value of right of use assets for the years ended 31 March 2026 and 31 March 2025:

Particulars	Furniture and fixtures	Building	Total
Cost			
Balance as at 1 April 2024	**-**	**6,026.62**	**6,026.62**
Additions*	-	4,062.44	4,062.44
Disposal/adjustments	-	(356.78)	(356.78)
Balance as at 31 March 2025	**-**	**9,732.28**	**9,732.28**
Balance as at 1 April 2025	**-**	**9,732.28**	**9,732.28**
Additions*	270.47	2,539.97	2,810.44
Disposal/adjustments	-	(367.36)	(367.36)
Balance as at 31 March 2026	**270.47**	**11,904.89**	**12,175.36**
Accumulated depreciation			
Accumulated depreciation as at 1 April 2024	**-**	**1,416.26**	**1,416.26**
Charge for the year	-	1,025.47	1,025.47
Deletions	-	(142.22)	(142.22)
Balance as at 31 March 2025	**-**	**2,299.51**	**2,299.51**
Accumulated depreciation as at 1 April 2025	**-**	**2,299.51**	**2,299.51**
Charge for the year	1.21	1,411.39	1,412.60
Deletions	-	(191.96)	(191.96)
Balance as at 31 March 2026	**1.21**	**3,518.94**	**3,520.15**
Net carrying amount as at 31 March 2025	**-**	**7,432.77**	**7,432.77**
Net carrying amount as at 31 March 2026	**269.26**	**8,385.95**	**8,655.21**

*Includes security deposit

B. Following are Lease Liabilities for the year ended 31 March 2026 and 31 March 2025:

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	7,996.49	4,889.24
Additions	2,738.44	3,953.02
Termination	(197.97)	(221.93)
Accretion of interest	643.43	509.36
Payments (including rent concession)	(1,632.81)	(1,133.20)
Closing balance	**9,547.58**	**7,996.49**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Current	1,329.00	943.79
Non-Current	8,218.58	7,052.70
Total	**9,547.58**	**7,996.49**

Following are the contractual maturities of lease liabilities as at 31 March 2026 and 31 March 2025 on an undiscounted basis:

Particulars	As at 31 March 2026	As at 31 March 2025
Not later than one year	1,508.58	1,508.58
Later than one year but within five years	5,695.24	5,695.24
Later than five years	3,011.94	3,011.94
Total	**10,215.76**	**10,215.76**

C. Following are expenses recognised in Statement of Profit and Loss for the years ended 31 March 2026 and 31 March 2025:

Particulars	As at 31 March 2026	As at 31 March 2025
Depreciation expense on Right of Use asset	1,412.60	1,025.47
Interest expense on lease liabilities	643.43	509.36
Rent expenses related to short term leases	34.76	20.37
Total expense recognised in Statement of Profit and Loss	**2,090.79**	**1,555.20**

- The total cash outlow for leases is ₹ 1,632.81 million for the year ended 31 March 2026 (₹ 1,132.20 million for the year ended 31 March 2025).

- **Additional information on variable lease payment:**

  During the year ended 31 March 2026, the Group has incurred an amount of ₹ 34.76 million (Previous year: 20.37 million) on account of variable lease payments. Variable payment terms ranges from 1.00% to 4.00% of net sales from a particular store. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores in malls. Excess of variable lease payments that depend on sales, over the fixed rental, are recognised in the statement of profit or loss in the period in which the condition that triggers those payments occur.

- **Additional information on extension/termination options:**

  Extension and termination options are included in a number of property lease arrangements of the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable based on mutual consent of the Group and respective lessors.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

5. CAPITAL WORK-IN-PROGRESS (CWIP)

Particulars	As at 31 March 2026	As at 31 March 2025
Tangible asset	27.49	43.57
Total	**27.49**	**43.57**

CWIP (tangible) movement:

Particulars	As at 31 March 2026	As at 31 March 2025
As at 1 April 2025	**43.57**	**166.64**
Add: Additions during the year	914.93	1,783.64
Less: Capitalised during the year	931.01	1,906.72
As at 31 March 2026	**27.49**	**43.57**

CWIP ageing schedule:

Particulars	As at 31 March 2026	As at 31 March 2025
Projects in progress		
Less than 1 year	27.49	43.57
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Projects temporarily suspended		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**27.49**	**43.57**

- There is no CWIP under development whose completion is overdue or has exceeded its cost compared to the original plan as of 31 March 2026 and 31 March 2025.

6A. OTHER INTANGIBLE ASSETS

Particulars	Application software	Trade Mark	Total
Balance as at 1 April 2024	**10.32**	**-**	**10.32**
Additions	38.96	0.07	39.03
Disposals	-	-	-
Balance as at 31 March 2025	**49.28**	**0.07**	**49.35**

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

6A. OTHER INTANGIBLE ASSETS (Contd.)

Balance as at 1 April 2025	**49.28**	**0.07**	**49.35**
Additions	3.32	-	3.32
Disposals	-	-	-
Balance as at 31 March 2026	**52.60**	**0.07**	**52.67**
Accumulated amortization			
Balance as at 1 April 2024	**8.41**	**-**	**8.41**
Amortization expense for the year	4.13	-	4.13
Disposals	-	-	-
Balance as at 31 March 2025	**12.54**	**-**	**12.54**
Balance as at 1 April 2025	**12.54**	**-**	**12.54**
Amortization expense for the year	14.53	-	14.53
Disposals	-	-	-
Balance as at 31 March 2026	**27.07**	**-**	**27.07**
Carrying amount (net)			
Balance as at 31 March 2025	**36.74**	**0.07**	**36.81**
Balance as at 31 March 2026	**25.53**	**0.07**	**25.60**

Product related intangibles (Trademark) are available to the Group in perpetuity. The amortisable amount of intangible assets is arrived at, based on the management's best estimates of useful lives of such assets after due consideration as regards their expected usage, the product life cycles and their expected future benefits to the Group.

No revaluation of intangible assets were carried out during the year.

6B. INTANGIBLE ASSET UNDER DEVELOPMENT

Particulars	As at 31 March 2026	As at 31 March 2025
Intangible asset under development	-	10.28
Total	**-**	**10.28**

CWIP (tangible) movement:

Particulars	As at 31 March 2026	As at 31 March 2025
As at 1 April 2025	**10.28**	**-**
Add: Additions during the year	-	36.79
Less: Capitalised/write off during the year	10.28	26.51
As at 31 March 2026	**-**	**10.28**

Intangible asset under development ageing schedule:

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Projects in progress		
Less than 1 year	-	10.28
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Projects temporarily suspended		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**-**	**10.28**

- There is no CWIP under development whose completion is overdue or has exceeded its cost compared to the original plan as of 31 March 2026 and 31 March 2025.

7. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Particulars	As at 31 March 2026	As at 31 March 2025
INVESTMENT IN EQUITY INSTRUMENTS (Unquoted)		
In Associate		
INVESTMENT IN EQUITY INSTRUMENTS		
100 fully paid equity shares of ₹ 1 each in Redefine Fashion Private Limited (31 March 2025: 100 shares fully paid up)	0.06	0.06
INVESTMENT IN COMPULSORY CONVERTIBLE PREFERENCE SHARES (CCPS) (Unquoted)		
170,526 fully paid CCPS of ₹ 1 each in Redefine Fashion Private Limited (31 March 2025: 170,526 CCPS shares fully paid up)	85.50	104.94
Total	**85.56**	**105.00**
Less: Share of loss of Associate (Refer note. 50)	(55.52)	(19.44)
Total	**30.04**	**85.56**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

8. OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current, unsecured, considered good		
Rental and other deposits	637.82	505.23
Margin money deposits *	0.11	0.05
Bank deposits with more than 12 months maturity#	110.70	1,617.72
Total	**748.63**	**2,123.00**

*Represents deposits given as security against bank guarantee.

Includes deposits given as security against gold on loan ₹ 50 million (31 March 2025 - ₹ 1,429.00 million) and deposits given as security against bank overdraft ₹ 60 million (31 March 2025 - ₹ 128.02 million).

Particulars	As at 31 March 2026	As at 31 March 2025
Current, unsecured, considered good		
Rental and other deposits	33.21	30.67
Interest accrued but not due on fixed deposits with banks	28.88	11.47
Bank deposits with maturity of less than 12 months*	2,418.21	1,519.35
Margin money deposits **	1.25	1.25
Deposits with NBFC***	65.30	51.25
Margin money with brokers#	99.60	31.64
Call Option in subsidiary (Refer note 53)	18.22	52.16
Receivables from franchisee	238.96	290.52
Other receivables	111.79	5.58
Total	**3,015.42**	**1,993.89**

*Includes deposits given as security against gold on loan ₹ 30.32 million (31 March 2025 - ₹ 939.86 million), marked as lien against working capital loan ₹ Nil (31 March 2025 - ₹ 126.00 million) and deposits given as security against bank overdraft ₹ 1,866.64 million (31 March 2025 - ₹ 256.25 million).

**Represents deposits given as security against bank guarantee.

***Represent deposits given as security against working capital loan ₹ 0.55 million (31 March 2025 - ₹ 20.00 million), marked as lien against term loan ₹ 20 million (31 March 2025 - ₹ Nil), marked as lien against RCF ₹ 44.75 million (31 March 2025 - ₹ Nil) and vendor financing ₹ Nil (31 March 2025 - ₹ 31.25 million).

Represent deposits maintained by the Group with brokers for hedging contracts.

9. NON-CURRENT TAX ASSETS (NET)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance income tax (net of provision for tax - Nil)	99.00	117.47
Total	**99.00**	**117.47**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

10. OTHER ASSETS

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current assets, unsecured, considered good		
Balance with Government authorities	1,717.02	1,235.34
Capital advances	33.32	34.16
Goods and service tax refund receivables	-	246.52
Total	**1,750.34**	**1,516.02**

Particulars	As at 31 March 2026	As at 31 March 2025
Current assets, unsecured, considered good		
Advance to suppliers	76.38	58.12
Right to recover returned goods (Refer note below)	66.56	67.67
Prepaid expenses*	87.07	203.66
Other receivables	19.50	15.30
Total	**249.51**	**344.75**

Right to recover returned goods represents the amount of goods expected to be received by the Company on account of sales return.

*The Company has successfully completed its initial public offer ('IPO') of equity shares during the year. IPO related expenses incurred in the previous year aggregating to ₹ 117.08 million were adjusted against the securities premium account in accordance with Section 52 of the Companies Act, 2013 upon completion of the issue. Accordingly, there are no unamortized or prepaid IPO expenses outstanding as at the reporting date.

11. INVENTORIES

Particulars	As at 31 March 2026	As at 31 March 2025
(valued at lower of cost and net realisable value)		
Raw materials	4,230.53	2,291.68
Work-in-progress	8.45	347.86
Finished goods	22,368.23	13,787.66
Packing materials	110.88	98.27
Total	**26,718.09**	**16,525.47**

- Refer note 19 for charge created against inventories.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

12. INVESTMENTS - CURRENT

Particulars	As at 31 March 2026	As at 31 March 2025
Investments in Mutual Funds (at fair value through profit or loss)		
Quoted		
Axis Money Market Direct Fund (2,74,946.69 units)* (31 March 2025: 3,59,017.399 units)	415.77	508.35
TATA Money Market fund (4,042.45 units)* (31 March 2025: Nil units)	20.37	-
Total	**436.14**	**508.35**
*A total of 278,989.14 units have been pledged against hedging activities (31 March 2025: 3,44,174.00 units)		
Aggregate amount of quoted investments	436.14	508.35
Aggregate market value of quoted investments	436.14	508.35

13. LOANS

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Unsecured, considered good		
Advances to employees	0.02	-
Total	**0.02**	**-**

14. TRADE RECEIVABLES

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Unsecured		
Trade receivables - considered good	75.43	56.06
Trade receivables - credit impaired	-	-
	75.43	**56.06**
Less: Provision for expected credit loss	-	-
Total	**75.43**	**56.06**

Refer note 37 for trade receivables due from directors or other officers of the Company either severally or jointly with any other person or firms or private companies in which any director is a partner, a director or a member.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Trade receivables Ageing Schedule

Ageing as at 31 March 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	75.43	-	-	-	-	75.43
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**75.43**	**-**	**-**	**-**	**-**	**75.43**

Ageing as at 31 March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	56.06	-	-	-	-	56.06
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**56.06**	**-**	**-**	**-**	**-**	**56.06**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

15. CASH AND BANK BALANCES

Particulars	As at 31 March 2026	As at 31 March 2025
Cash and cash equivalents		
Cash on hand	2.00	0.02
Demand drafts on hand	-	-
Balances with banks	-	-
- in current accounts	613.24	102.96
- in bank deposits (with original maturity of 3 months or less)#	460.00	384.77
Total	**1,075.24**	**487.75**

Includes deposits given as security against gold on loan ₹ Nil (31 March 2025 - ₹ 104.17 million).

16. OTHER BANK BALANCES

Particulars	As at 31 March 2026	As at 31 March 2025
In bank deposit (with original maturity more than 3 months but less than 12 months)*	3,958.47	1,035.00
Balances with banks held as margin money**	83.01	346.18
Total	**4,041.48**	**1,381.18**

*Includes deposits given as security against gold on loan ₹ 3,458.42 million (31 March 2025 - ₹ 965.00 million) and deposits given as security against bank overdraft ₹ 0.03 million (31 March 2025 - ₹ 30.00 million).

**Represents balance held as margin money against gold on loan ₹ 83.01 million (31 March 2025 - ₹ 346.18 million).

17. SHARE CAPITAL

Particulars	As at 31 March 2026	As at 31 March 2025
Authorized share capital		
Equity shares		
45,05,00,000 (as at 31 March 2025: 16,82,90,700) Equity shares of ₹ 1 each	450.50	168.29
Convertible Preference Shares		
Nil (as at 31 March 2025: 6,09,594) CCPS of Series A of ₹ 10 each	-	6.10
Nil (as at 31 March 2025: 1,86,982) CCPS of Series B of ₹10 each	-	1.87
Nil (as at 31 March 2025: 88,624) CCPS of Series B1 of ₹10 each	-	0.89
Nil (as at 31 March 2025: 13,39,659) CCPS of Series B2 of ₹10 each	-	13.40
Nil (as at 31 March 2025: 1,28,207) CCPS of Series B3 of ₹10 each	-	1.28

Notes to the Consolidated Financial Statements

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17. SHARE CAPITAL (Contd.)

Particulars	As at 31 March 2026	As at 31 March 2025
Nil (as at 31 March 2025: 14,17,252) CCPS of Series C of ₹10 each	-	14.17
Nil (as at 31 March 2025: 19,80,112) CCPS of Series D of ₹10 each	-	19.80
Nil (as at 31 March 2025: 6,25,000) CCPS of Series D1 of ₹10 each	-	6.25
Nil (as at 31 March 2025: 6,00,000) CCPS of Series D2 of ₹ 10 each	-	6.00
Nil (as at 31 March 2025: 3,00,000) CCPS of Series D3 of ₹10 each	-	3.00
Nil (as at 31 March 2025: 1,69,122) CCPS of Series E of ₹10 each	-	1.69
Nil (as at 31 March 2025: 7,292) OCRPS of Series E1 of ₹10 each	-	0.07
Nil (as at 31 March 2025: 3,95,840) CCPS of Series E2 of ₹10 each	-	3.96
Nil (as at 31 March 2025: 3,23,246) CCPS of Series F of ₹10 each	-	3.23
Nil (as at 31 March 2025: 1,90,00,000) CCPS of Series G of ₹10 each	-	190.00
Nil (as at 31 March 2025: 1,05,00,000) CCPS of Series H of ₹1 each	-	10.50
	450.50	**450.50**
Issued, subscribed and paid-up share capital		
Equity share capital		
15,22,31,365 (as at 31 March 2025: 3,52,35,000) Equity shares of ₹ 1 each, fully paid up	152.23	35.23
	152.23	**35.23**
Equity component of Compulsory Convertible Preference Shares (CCPS)*		
Nil (as at 31 March 2025: 6,09,594) Series A CCPS of ₹ 10 each, fully paid up	-	6.10
Nil (as at 31 March 2025: 1,86,982) Series B CCPS of ₹ 10 each, fully paid up	-	1.87
Nil (as at 31 March 2025: 88,624) Series B1 CCPS of ₹ 10 each, fully paid up	-	0.89
Nil (as at 31 March 2025: 13,39,659) Series B2 CCPS of ₹ 10 each, fully paid up	-	13.40
Nil (as at 31 March 2025: 1,28,207) Series B3 CCPS of ₹ 10 each, fully paid up	-	1.28

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

17. SHARE CAPITAL (Contd.)

Particulars	As at 31 March 2026	As at 31 March 2025
Nil (as at 31 March 2025: 14,17,252) Series C CCPS of ₹ 10 each, fully paid up	-	14.17
Nil (as at 31 March 2025: 19,40,933) Series D CCPS of ₹ 10 each, fully paid up	-	19.41
Nil (as at 31 March 2025: 4,16,865) Series D1 CCPS of ₹ 10 each, fully paid up	-	4.17
Nil (as at 31 March 2025: 3,59,257) Series D2 CCPS of ₹ 10 each, fully paid up	-	3.59
Nil (as at 31 March 2025: 1,10,754) Series D3 CCPS of ₹ 10 each, fully paid up	-	1.11
Nil (as at 31 March 2025: 1,69,122) Series E CCPS of ₹ 10 each, fully paid up	-	1.69
Nil (as at 31 March 2025: 3,95,836) Series E2 CCPS of ₹ 10 each, fully paid up	-	3.96
Nil (as at 31 March 2025: 2,50,658) Series F CCPS of ₹ 10 each, fully paid up	-	2.51
Nil (as at 31 March 2025: 1,76,80,565) Series G CCPS of ₹10 each, fully paid up	-	176.81
Nil (as at 31 March 2025: 1,03,80,622) Series H CCPS of ₹1 each, fully paid up	-	10.38
Total	**-**	**261.33**
Total share capital	**152.23**	**296.56**

*Refer note (c) below

Number of shares have been disclosed in absolute terms.

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

I. Equity shares

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Balance at the beginning of the year	3,52,35,000	35.23	1,81,51,940	18.16
Shares issued during the year (Refer note 17h)	1,67,71,728	16.77	1,28,02,090	12.80
Shares transferred during the year	-	-	32,23,260	3.22
Conversion of OCRPS into equity shares	-	-	72,920	0.07
Conversion of CCPS into equity shares	10,02,24,637	100.22	9,84,790	0.98
Total Equity shares at the end of the period	**15,22,31,365**	**152.23**	**3,52,35,000**	**35.23**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

II. Reconciliation of the number of treasury shares outstanding at the beginning and end of the year

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Equity shares				
Balance at the beginning of the year	-	-	32,23,260	3.22
Shares transferred during the year	-	-	(32,23,260)	(3.22)
Total Equity shares at the end of the year	**-**	**-**	**-**	**-**

III. Compulsory Convertible Preference Shares (CCPS)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Series A				
At the beginning of the year	6,09,594	6.09	6,09,594	6.09
Conversion of CCPS into equity shares *	(6,09,594)	(6.09)	-	-
Total	**-**	**-**	**6,09,594**	**6.09**
Series B				
At the beginning of the year	1,86,982	1.87	1,86,982	1.87
Conversion of CCPS into equity shares *	(1,86,982)	(1.87)	-	-
Total	**-**	**-**	**1,86,982**	**1.87**
Series B1				
At the beginning of the year	88,624	0.89	88,624	0.89
Conversion of CCPS into equity shares *	(88,624)	(0.89)	-	-
Total	**-**	**-**	**88,624**	**0.89**
Series B2				
At the beginning of the year	13,39,659	13.40	13,39,659	13.40
Conversion of CCPS into equity shares *	(13,39,659)	(13.40)	-	-
Total	**-**	**-**	**13,39,659**	**13.40**
Series B3				
At the beginning of the year	1,28,207	1.28	1,28,207	1.28
Conversion of CCPS into equity shares *	(1,28,207)	(1.28)	-	-
Total	**-**	**-**	**1,28,207**	**1.28**
Series C				
At the beginning of the year	14,17,252	14.17	14,17,252	14.17
Conversion of CCPS into equity shares *	(14,17,252)	(14.17)	-	-
Total	**-**	**-**	**14,17,252**	**14.17**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

III. Compulsory Convertible Preference Shares (CCPS)(Contd.)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Series D				
At the beginning of the year	19,40,933	19.41	19,40,933	19.41
Conversion of CCPS into equity shares *	(19,40,933)	(19.41)	-	-
Total	**-**	**-**	**19,40,933**	**19.41**
Series D1				
At the beginning of the year	4,16,865	4.17	4,16,865	4.17
Conversion of CCPS into equity shares *	(4,16,865)	(4.17)	-	-
Total	**-**	**-**	**4,16,865**	**4.17**
Series D2				
At the beginning of the year	3,59,257	3.59	3,59,257	3.59
Conversion of CCPS into equity shares *	(3,59,257)	(3.59)	-	-
Total	**-**	**-**	**3,59,257**	**3.59**
Series D3				
At the beginning of the year	1,10,754	1.11	1,10,754	1.11
Conversion of CCPS into equity shares *	(1,10,754)	(1.11)	-	-
Total	**-**	**-**	**1,10,754**	**1.11**
Series E				
At the beginning of the year	1,69,122	1.69	1,69,122	1.69
Conversion of CCPS into equity shares *	(1,69,122)	(1.69)	-	-
Total	**-**	**-**	**1,69,122**	**1.69**
Series E2				
At the beginning of the year	3,95,836	3.96	3,95,836	3.96
Conversion of CCPS into equity shares *	(3,95,836)	(3.96)	-	-
Total	**-**	**-**	**3,95,836**	**3.96**
Series F				
At the beginning of the year	2,50,658	2.51	2,50,658	2.51
Conversion of CCPS into equity shares *	(2,50,658)	(2.51)	-	-
Total	**-**	**-**	**2,50,658**	**2.51**
Series G				
At the beginning of the year	1,76,80,565	176.81	1,86,65,355	186.65
Conversion of CCPS into equity shares *	(1,76,80,565)	(176.81)	(9,84,790)	(9.84)
Total	**-**	**-**	**1,76,80,565**	**176.81**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

(All amounts are in INR million unless otherwise stated)

III. Compulsory Convertible Preference Shares (CCPS)(Contd.)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Series H				
At the beginning of the year	1,03,80,622	10.38	-	-
Issued during the year	-	-	1,03,80,622	10.38
Conversion of CCPS into equity shares *	(1,03,80,622)	(10.38)	-	-
Total	**-**	**-**	**1,03,80,622**	**10.38**
Total Share Capital [I + III]	**15,22,31,365**	**152.23**	**7,07,09,930**	**296.56**

*Refer note 17c

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of INR 1 per share. Each shareholder is eligible for one vote per share held. 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.

During the year, Company has not declared any dividend.

In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholdings.

(c) The Company has issued various series of Compulsory Convertible Preference Shares ('CCPS') and Optionally Convertible Redeemable Preference Shares ('OCRPS').

During the year ended 31 March 2026, series A, B, B1, B2, B3, C, D, D1, D2, D3, E and F CCPS is converted into equity shares in the ratio of 10:1, series E2 is converted into equity shares in the ratio of 5.01:1 and series G and H is converted into equity shares in the ratio of 1:1 pursuant to IPO.

During the year ended 31 March 2025, 9,84,790 series G CCPS is converted into equity shares in the ratio of 1:1.

During the year ended 31 March 2025, 7,292 series E1 OCRPS is converted into equity shares in the ratio of 10:1.

During the year ended 31 March 2025, the Company had issued H series CCPS and the CCPS holders of Series H have agreed a fixed conversion of 1 equity shares for every 1 CCPS held and therefore the same was classified as equity.

(d) In the period of five years, during the year 2022-23, the Company had issued bonus shares of 1,63,36,746 nos. of equity shares.

(e) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

(f) No class of shares have been issued for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(g) During the year ended 31 March 2025, the Company has issued 1,00,01,847 rights equity shares at a price of ₹ 34 each, which includes a premium of ₹ 33 per share.

(h) During the year ended 31 March 2026, the Company issued 1,58,60,735 equity shares pursuant to its Initial Public Offering (IPO) at an issue price of ₹ 517 per share, comprising a face value of ₹ 1 per share and a securities premium of ₹ 516 per share.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(i) Particulars of shareholders holding more than 5% equity shares

Name of the shareholders	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% holding	Number of shares held	% holding
Equity Shares				
Gaurav Singh Kushwaha	2,44,65,127	16%	2,44,65,127	69%
Accel India III (Mauritius) Ltd	1,32,90,055	9%	-	-
Sbi Life Insurance Co. Ltd	76,11,320	5%	-	-
M/s. Access India Capital*	-	-	29,26,410	8%
Total	**4,53,66,502**	**30%**	**2,73,91,537**	**77%**
CCPS				
Series A				
Accel India III (Mauritius) Limited	-	-	4,57,246	75%
Saama Capital II Limited	-	-	53,134	9%
Sunil Kant Munjal and other partners of Hero	-	-	99,214	16%
	-	**-**	**6,09,594**	**100%**
Series B				
Accel India III (Mauritius) Limited	-	-	93,491	50%
Saama Capital II Limited	-	-	93,491	50%
	-	**-**	**1,86,982**	**100%**
Series B1				
Saama Capital II Limited	-	-	88,624	100%
	-	**-**	**88,624**	**100%**
Series B2				
Accel India III (Mauritius) Ltd	-	-	3,07,149	23%
Kalaari Capital Partners II, LLC	-	-	2,64,734	20%
Sunil Kant Munjal and other partners of Hero	-	-	1,51,920	11%
Steadview Capital Mauritius Limited	-	-	1,96,901	15%
Peak XV Partners Growth Investments IV	-	-	3,60,986	27%
	-	**-**	**12,81,690**	**96%**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(i) Particulars of shareholders holding more than 5% equity shares (Contd.)

Name of the shareholders	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% holding	Number of shares held	% holding
Series B3				
Accel India III (Mauritius) Limited	-	-	1,28,207	100%
	-	**-**	**1,28,207**	**100%**
Series C				
Ivycap Ventures Trust – Fund 1- (Trustee-Vistra ITCL (India) Limited)	-	-	3,12,595	22%
Kalaari Capital Partners II, LLC	-	-	2,20,971	16%
Accel India III (Mauritius) Limited	-	-	1,38,107	10%
Saama Capital II Limited	-	-	82,864	6%
360 ONE Special Opportunities Fund - Series 12	-	-	2,80,927	20%
Accel India VII (Mauritius) Limited	-	-	3,37,329	24%
	-	**-**	**13,72,793**	**98%**
Series D				
Kalaari Capital Partners II, LLC	-	-	1,61,786	8%
Accel India III (Mauritius) Limited	-	-	2,42,679	13%
RB Investment Pte Limited	-	-	2,42,579	12%
Vistra ITCL (India) Limited, Trustee of Ivycap Ventures Trust – Fund 2	-	-	1,61,686	8%
Iron Pillar Fund I Limited	-	-	1,37,187	7%
Iron Pillar Fund I India	-	-	2,06,116	11%
Sunil Kant Munjal and other partners of Hero	-	-	1,39,520	7%
360 ONE Special Opportunities Fund - Series 12	-	-	1,02,571	5%
360 ONE Large Value Fund - Series 5	-	-	1,11,149	6%
	-	**-**	**15,05,273**	**77%**
Series D1				
Kalaari Capital Partners II, LLC	-	-	33,207	8%
Accel India III (Mauritius) Limited	-	-	66,413	16%
Vistra ITCL (India) Limited, Trustee of Ivycap Ventures Trust – Fund 2	-	-	53,130	13%

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(i) Particulars of shareholders holding more than 5% equity shares (Contd.)

Name of the shareholders	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% holding	Number of shares held	% holding
Iron Pillar Fund I Limited	-	-	66,413	16%
RB Investment Pte Limited	-	-	67,715	16%
Sunil Kant Munjal and other partners of Hero	-	-	1,02,841	25%
	-	**-**	**3,89,719**	**94%**
Series D2				
Accel India III (Mauritius) Limited	-	-	1,28,304	36%
Saama Capital II Limited	-	-	26,043	7%
Vistra ITCL (India) Limited, Trustee of Ivycap Ventures Trust – Fund 2	-	-	31,251	9%
Iron Pillar Fund I Limited	-	-	1,27,614	36%
	-	**-**	**3,13,212**	**88%**
Series D3				
360 ONE Special Opportunities Fund - Series 12	-	-	63,218	57%
Iron Pillar II WH Ltd.	-	-	47,536	43%
	-	**-**	**1,10,754**	**100%**
Series E				
Accel India III (Mauritius) Limited	-	-	59,037	35%
Kalaari Capital Partners II, LLC	-	-	11,807	7%
Iron Pillar Fund I Limited	-	-	11,807	7%
Sunil Kant Munjal and other partners of Hero	-	-	15,743	9%
Raveen Shastry	-	-	15,626	9%
Accel India VII (Mauritius) Limited	-	-	39,358	23%
	-	**-**	**1,53,378**	**90%**
Series E2				
Accel India III (Mauritius) Limited	-	-	1,25,000	32%
Ashoka Pte Limited	-	-	1,25,000	32%
Japonica Holdings Pte. Limited	-	-	62,500	16%
	-	**-**	**3,12,500**	**80%**
Series F				
Sunil Kant Munjal and other partners of Hero	-	-	2,50,658	100%
	-	**-**	**2,50,658**	**100%**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(i) Particulars of shareholders holding more than 5% equity shares (Contd.)

Name of the shareholders	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% holding	Number of shares held	% holding
Series G				
IE Venture Investment Fund II	-	-	31,75,712	18%
360 One Large Value Fund - Series 13	-	-	22,15,059	13%
360 One Special Opportunities Fund Series 11	-	-	14,76,706	8%
NKSquared	-	-	14,76,706	8%
Kamath Associate	-	-	14,76,706	8%
IvyCap Ventures Trust Fund - III	-	-	14,76,706	8%
NV Holdings Limited	-	-	12,46,909	7%
	-	**-**	**1,25,44,504**	**70%**
Series H				
Pratithi Growth Fund 1	-	-	6,05,536	6%
MIH Investments One B.V.	-	-	60,80,439	59%
Steadview Capital Mauritius Limited	-	-	13,84,083	13%
Think Investments PCC	-	-	14,53,280	14%
	-	**-**	**95,23,338**	**92%**

*Holding below 5% during current year

(j) Shareholding of promoters:

Particulars	As at 31 March 2026		As at 31 March 2025	
Equity shares of ₹ 1 each	**Number of shares held**	**% holding**	**Number of shares held**	**% holding**
Mr. Gaurav Singh Kushwaha	2,44,65,127	16%	2,44,65,127	69%

The Board of Directors, during their meeting on November 27, 2024, has designated Mr. Gaurav Singh Kushwaha - Managing Director as a Promoter of the Company for all regulatory, statutory, and related purposes under applicable laws.

18. OTHER EQUITY

Particulars		As at 31 March 2026	As at 31 March 2025
Securities premium	(i)	40,639.62	32,451.29
Retained earnings	(ii)	(24,434.94)	(24,583.31)
Share options outstanding account	(iii)	1,644.53	897.48
Items of Other Comprehensive Income	(iv)	5.49	5.72
Non-Controlling Interest of Subsidiary	(v)	23.08	39.66
Total other equity		**17,877.78**	**8,810.84**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(i) Securities premium

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	32,451.29	25,221.43
Premium received on issue of shares (Refer note 47)	8,440.59	7,235.69
Add: Reclassification from Liability to Equity (Refer note 17c)	-	6.92
Add: Conversion from CCPS to Equity shares	161.10	8.86
Less: Share issue expenses	(413.36)	(21.61)
Closing balance	**40,639.62**	**32,451.29**

(ii) Retained earnings

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	(24,583.31)	(22,325.48)
Profit/(Loss) during the year	148.37	(2,216.69)
Non-Controlling Interest of Subsidiary	-	(41.14)
Closing balance	**(24,434.94)**	**(24,583.31)**

(iii) Share options outstanding account

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	897.48	553.00
Add: Options granted during the year (Refer note no. 40)	926.67	512.39
Less: Options exercised during the year	(179.62)	(167.91)
Closing balance	**1,644.53**	**897.48**

(iv) Items of Other Comprehensive Income

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	5.72	13.82
Actuarial loss on remeasurement of employee defined benefit plan (net of tax) (Refer note no. 35)	(0.23)	(8.10)
Closing balance	**5.49**	**5.72**

(v) Non-Controlling Interest of Subsidiary

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	39.66	-
Adjustments for changes in ownership interests	-	41.14
Founders' capital contribution at the time of incorporation	-	0.20
Profit attributable during the year	(16.58)	(1.68)
Balance at the end of the year	**23.08**	**39.66**
Total other equity	**17,877.78**	**8,810.84**

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Nature and purpose of other equity

(i) Securities Premium:

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The same is available for utilisation in accordance with the provisions of the Companies Act, 2013.

(ii) Retained earnings:

The cumulative gain or loss arising from the operations which is retained by the Company is recognized and accumulated under the heading of retained earnings. At the end of the period, the profit after tax/loss is transferred from the Statement of Profit and Loss to retained earnings.

(iii) Share options outstanding account:

The fair value of the equity-settled share based payment transactions with employees is recognised in statement of profit and loss with corresponding credit to share options outstanding account. The amounts recorded in this account are transferred to share premium upon exercise of share options by employees. In case of lapse, corresponding balance is transferred to retained earnings.

(iv) Other comprehensive income:

Other comprehensive income comprises actuarial gains and losses on defined benefit obligation.

(iv) Non-Controlling Interest:

Non-controlling interests represent that part of the total comprehensive income and net assets of subsidiary attributable to the interest which is not owned, directly or indirectly, by the Parent Company.

19. BORROWINGS

Non-current borrowings - At Amortised cost

Particulars	As at 31 March 2026	As at 31 March 2025
Secured (Refer note below):		
Redeemable Non-convertible debentures	1,667.91	4,190.11
Term loan from banks	232.35	33.14
Term loan from financial institutions	2,848.61	1,627.30
Vehicle loan	13.99	6.87
Less: Current maturities of long-term borrowings	(2,752.28)	(3,884.59)
Total (A)	**2,010.58**	**1,972.83**

Note:

The coupon rate for Redeemable Non-convertible debentures ranges from 12.75% p.a. to 14.50% p.a. (31 March 2025 - 12.50% p.a. to 14.50% p.a.) with a tenor of 18 to 36 months.

The rate of interest for term loan from banks and financial institutions is 7.90% p.a. to 13.10% (31 March 2025 - 7.90% p.a. to 13.50% p.a.)with a tenor of 24 to 60 months.

The rate of interest for vehicle loan is 7.99% p.a. to 9.55% p.a. (31 March 2025 - 7.99% p.a. to 9.55% p.a.) with a tenor of 36 to 60 months.

Security:

The Redeemable Non-convertible debentures are secured by way of first ranking pari passu charge over all current assets of the Company, both present and future including intellectual properties and non-current assets (including tangible, and intangible fixed assets).

The loan mentioned above is secured by way of first ranking pari passu charge by way of hypothecation on all existing and future current assets (including book debts, trade receivables, stock in trade, inventory, unencumbered cash equivalents except for the fixed deposits exclusively lien marked with the lender or other financial institutions/lenders for gold on loan or otherwise, customer advances, supplier advance, GST

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

refunds etc.), immovable and movable assets, fixed assets, intangible assets (including intellectual property, brand/trademarks) of the Company.

The vehicle loan mentioned above is secured against hypothecation of vehicles.

Current borrowings:

Particulars	As at 31 March 2026	As at 31 March 2025
Secured		
Working capital loan	1,759.99	1,320.00
Bank overdraft	920.38	108.76
Current maturities of long-term borrowings	2,752.28	3,884.59
Total (B)	**5,432.65**	**5,313.35**
Total (A+B)	**7,443.23**	**7,286.18**

Note:

The rate of interest for working capital loans ranges from 9.25% to 12.35% p.a. (31 March 2025 - 10.00% to 13.50% p.a.) with a tenor of 30 to 180 days.

The rate of interest for cash credit/overdraft ranges from 7.35% - 10.25% p.a. (31 March 2025 - 10% - 10.70% p.a.).

Security:

The loans mentioned above are secured by way of first-ranking pari passu charges on the Company's existing and future current assets and fixed assets, including stocks, inventory, receivables, movable fixed assets, rental deposits, and other assets, as applicable.

Stock Statement:

The quarterly statements filed with the banks against the borrowings obtained by the Company are in agreement with the books of accounts for the year ended 31 March 2026 and 31 March 2025.

Instances of default in payment of principal/interest:

There are no instances of default in payment of principal or interest for the year ended 31 March 2026 and 31 March 2025.

20. LEASE LIABILITIES

Particulars	As at 31 March 2026	As at 31 March 2025
Non current		
Lease liabilities	8,218.58	7,052.70
Total	**8,218.58**	**7,052.70**

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Lease liabilities	1,329.00	943.79
Total	**1,329.00**	**943.79**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

21. OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Deposit received from franchisee	30.82	143.31
Total	**30.82**	**143.31**

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Interest accrued but not due on borrowings	15.43	14.43
Deposit received from franchisee	2,030.52	2,118.37
Payable to employees	143.56	92.05
Derivative instruments in designated hedge accounting relationship	78.94	77.78
Other liabilities	152.43	46.16
Total	**2,420.88**	**2,348.79**

22. PROVISIONS

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Provision for employee benefits		
Provision for gratuity (Refer note 35)	51.11	35.44
Provision for compensated absence	0.64	-
Total	**51.75**	**35.44**

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Provision for employee benefits		
Provision for gratuity (Refer note 35)	13.28	12.53
Provision for compensated absence	23.59	15.93
Total	**36.87**	**28.46**

23. GOLD ON LOAN

Particulars	As at 31 March 2026	As at 31 March 2025
gold on loan (Refer note below)	2,848.14	3,865.53
Total	**2,848.14**	**3,865.53**

Note:

Represents amounts payable against gold purchased from various banks under gold on loan scheme with an interest rate of 2.50%-6.50% p.a. (31 March 2025 - 2.50%-9.00% p.a.) and is payable at monthly intervals. The credit period under the aforesaid arrangement is upto 180 days from the date of delivery of gold. The amounts are secured against fixed deposits placed by the Company (refer note 8, 15 and 16).

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

24. TRADE PAYABLES

Particulars	As at 31 March 2026	As at 31 March 2025
Current - At amortised cost		
Total outstanding dues of micro enterprises and small enterprises	399.56	282.97
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,204.26	1,364.38
Total trade payables	**1,603.82**	**1,647.35**

Disclosure in respect of Micro and Small Enterprises:

	Particulars	As at 31 March 2026	As at 31 March 2025
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting period:		
	- Principal	399.56	282.97
	- Interest	-	-
(ii)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period:	-	-
	- Interest	-	-
	- Payment	-	-
(iii)	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 Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting period	-	-
(v)	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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Trade payables Ageing Schedule

Ageing as at 31 March 2026

Particulars	Outstanding from due date of payment						Total
	Unbilled	Not due	< 1 year	1-2 years	2-3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	259.87	122.53	5.53	10.65	0.98	399.56
Total outstanding dues of creditors other than micro enterprises and small enterprises	463.51	507.23	203.82	18.36	4.80	6.54	1,204.26
Disputed dues of micro, enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, enterprises and small enterprises	-	-	-	-	-	-	-
Total	**463.51**	**767.10**	**326.35**	**23.89**	**15.45**	**7.52**	**1,603.82**

Ageing as at 31 March 2025

Particulars	Outstanding from due date of payment						Total
	Unbilled	Not due	< 1 year	1-2 years	2-3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	62.99	153.55	65.87	0.43	0.13	282.97
Total outstanding dues of creditors other than micro enterprises and small enterprises	431.40	341.95	567.66	13.56	6.75	3.06	1,364.38
Disputed dues of micro, enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, enterprises and small enterprises	-	-	-	-	-	-	-
Total	**431.40**	**404.94**	**721.21**	**79.43**	**7.18**	**3.19**	**1,647.35**

25. OTHER LIABILITIES

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Advance from customers	617.31	272.85
Gold Schemes	1,900.97	1,727.97
Capital creditors	86.98	173.06
Refund liability*	108.86	105.73
Statutory dues payable	123.11	39.62

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

25. OTHER LIABILITIES (Contd.)

Particulars	As at 31 March 2026	As at 31 March 2025
Gift vouchers	603.91	517.49
Gold on lease**	4,152.88	-
Other payables	2.98	27.14
Total	**7,597.00**	**2,863.86**

*The Company has recognised a refund liability for the Sales return from customers amounting to ₹ 108.86 million (31 March 2025: ₹ 105.73 million), which is in the normal course of business. The Company has also recognised a right to recover the returned goods ₹ 66.56 million (31 March 2025: ₹ 67.67 million). The costs to recover the products are not material because the customers usually return the product in a saleable condition.

**The Company procures gold from external parties on lease basis with variable interest rates ranging from 4% to 5% payable at monthly intervals. The tenure of such lease arrangements is 365 days in case of fixed tenure leases

26. REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of products	24,364.24	17,700.02
Total	**24,364.24**	**17,700.02**

(A) Ind AS 115 - Revenue from contract with customers

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from contract with customers - Sale of products	24,364.24	17,700.02
Total	**24,364.24**	**17,700.02**
India	24,364.24	17,700.02
Outside India	-	-
Total	**24,364.24**	**17,700.02**
Timing of revenue operation		
At a point in time	24,364.24	17,700.02
Over a period of time	-	-
Total	**24,364.24**	**17,700.02**

(B) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Contracted price	32,228.41	25,122.22
Less: Reductions towards variable consideration components	(7,864.17)	(7,422.20)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Net consideration recognised as revenue	**24,364.24**	**17,700.02**

The reduction towards variable consideration comprises of scheme discounts, incentives, returns etc.

(C) Contract balances

Particulars	As at 31 March 2026	As at 31 March 2025
Contract assets		
Right to recover returned goods (Refer note 10)	66.56	67.67
Contract liabilities (refer note 25)		
Refund liability	108.86	105.73
Gift voucher	603.91	517.49
Gold schemes	1,900.97	1,727.97
Advance from customers	617.31	272.85

(D) No single customer contributed 10% or more to the Group's revenue for the year ended 31 March 2026 and 31 March 2025.

27. OTHER INCOME

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest on fixed deposits and others	356.23	351.78
Gain on mutual fund	30.31	39.31
Liabilities no longer required written back	67.11	95.16
Fair value gain on call option – subsidiary (Refer note 53)	(33.94)	52.16
Unwinding of interest on financial assets carried at amortized cost	35.10	28.23
Gain on termination of lease	17.62	10.84
Rent waiver on lease liabilities	-	3.88
Miscellaneous income	23.33	18.98
Total	**495.76**	**600.34**

28. COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Raw material consumed		
Inventory at the beginning of the year	2,291.68	1,992.69
Add: Purchases	23,982.30	17,514.34
Less: Inventory at the end of the year	4,230.53	2,291.68
Total cost of material consumed	**22,043.45**	**17,215.35**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

29. PURCHASES OF STOCK-IN-TRADE

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchases	127.52	-
Total	**127.52**	**-**

30. CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventories at the end of the year		
Finished goods	22,368.23	13,787.66
Work-in-progress	8.45	347.86
Inventories at the beginning of the year		
Finished goods	13,787.66	7,894.09
Work-in-progress	347.86	10.97
Net change	**(8,241.16)**	**(6,230.46)**

31. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries and wages	1,745.46	1,361.79
Contribution to provident and other funds (Refer note 35)	53.96	42.17
Gratuity expenses (Refer note 35)	21.22	8.01
Expense on employee stock option scheme (Refer note 40)	926.67	512.39
Staff welfare expenses	77.12	101.66
Total	**2,824.43**	**2,026.02**

32. FINANCE COSTS

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest on:		
Term loans from banks & financial institutions	796.49	604.42
Debentures	234.78	460.26
Franchisee deposit	387.01	464.09
Lease liabilities (refer note 4c)	643.43	509.36
Other borrowing costs	42.40	37.32
Total	**2,104.11**	**2,075.45**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

33. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation of property, plant and equipment (refer note 3)	672.14	445.29
Amortization of other intangible assets (refer note 6a)	14.53	4.13
Depreciation of right to use assets (refer note 4c)	1,412.60	1,025.47
Total	**2,099.27**	**1,474.89**

34. OTHER EXPENSES

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Power and fuel	189.33	176.07
Certification & hallmarking charges	53.87	70.63
Job work charges	131.08	251.12
Contract labour charges	428.79	620.67
Consumables	82.63	100.30
Security charges	70.34	76.03
Bank charges	5.03	5.76
Insurance	56.44	43.02
Repairs and maintenance		
-Buildings	50.18	93.33
Rates and taxes	34.77	41.38
Advertisement & marketing costs	1,609.67	1,591.66
Payment gateway charges	167.57	138.32
Shipping charges	82.12	90.05
Brokerage & commission	80.39	58.34
Printing & stationery expenses	48.74	52.99
Software and web development charges	32.03	26.16
Bad debts written off	-	1.60
Less: Provision created in earlier years	-	(1.60)
Rent (Refer note 4c)	34.76	20.37
Legal and professional charges	100.06	136.77
Travelling and conveyance expenses	95.71	80.62
Technology & communication expenses	96.30	61.03
Auditors remuneration (refer note (a) below)*	5.48	3.59
Office maintenance	19.58	176.21
Store maintenance	202.86	-
Loss on sale of Property, plant and equipment	31.05	19.48
Miscellaneous expenses	6.29	4.14
Total	**3,715.07**	**3,938.04**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(a) Payment to Auditors

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
As auditor:		
Statutory audit	5.00	3.45
Certification services	0.19	-
Reimbursement of expenses	0.29	0.14
Total	**5.48**	**3.59**

*Excludes fees paid to auditors amounting to ₹ 9.85 million (including reimbursement of expenses) (31 March 2025 - ₹ 14.09 million) and fees paid to erstwhile auditors ₹ 4.13 million (including reimbursement of expenses) (31 March 2025 - ₹ 16.07 million) in connection with the initial public offer of equity shares of the Company.

35. EMPLOYEE BENEFITS

I. Defined contribution plan

The Group has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the year towards defined contribution plan is as under:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Employer's Contribution to Provident Fund	-	41.68
Employer's Contribution to Employee State Insurance Corporation	-	0.49
Expense recognized during the year	**-**	**42.17**

II. Defined benefit plan

A. Gratuity: (unfunded)

In accordance with applicable Indian laws, the Group provides for gratuity, a defined benefit retirement plan (Gratuity Plan). The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the number of years of employment with the Group.

a) Reconciliation of the projected benefit obligations:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Change in projected benefit obligation:		
Obligations at beginning of the year	47.97	34.51
Service cost	14.94	5.56
Past service cost	3.26	-
Interest on defined benefit obligation	3.02	2.45
Benefits settled	(5.03)	(2.65)
Actuarial loss/(gain)	0.23	8.10
Obligations at the end of year	**64.39**	**47.97**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

(All amounts are in INR million unless otherwise stated)

Change in plan assets:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Plan assets at period beginning, at fair value	**-**	**-**
Actual return on plan assets	-	-
Fund management charges	-	-
Employer contribution	-	-
Withdrawal from fund against payment made	-	-
Benefits settled	-	-
Plan assets at end of the period, at fair value	-	-
Reconciliation of present value of the obligation and the fair value of the plan assets:		
Closing obligations	64.39	47.97
Closing fair value of plan assets	-	-
Liability recognized in the balance sheet	**64.39**	**47.97**
Net liability:		
Non-current	51.11	35.44
Current	13.28	12.53

b) (i) Expense recognized in statement of profit and loss:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Service cost	14.94	5.56
Past service cost	3.26	-
Interest cost	3.02	2.45
Net gratuity cost	**21.22**	**8.01**

(ii) Remeasurements recognized in Other Comprehensive Income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial loss/(gain) on defined benefit obligation		
Changes in demographic assumption	(5.90)	8.64
Changes in financial assumptions	(6.11)	0.39
Experience variance (i.e. Actual experience vs assumptions)	12.25	(0.93)
Actuarial loss/(gain) on defined benefit obligation	**0.23**	**8.10**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

c) Defined benefit obligation - Actuarial assumptions

(i) Actuarial assumptions

Principal actuarial assumptions at the reporting date:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Discount rate	6.50%	6.50%
Salary escalation rate	6.00%	10.00%
Attrition rate:		
- Annual CTC below 1 million	50.54%	49.00%
- Annual CTC between 1 million to 3 million	23.10%	33.00%
- Annual CTC between 3 million and above	28.57%	18.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Retirement Age (years)	60	60

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	For the year ended 31 March 2026		For the year ended 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%)	61.63	66.46	46.28	49.77
Salary Growth Rate (-/+ 1%)	66.24	61.79	49.40	46.56
Attrition Rate (-/+ 50% of attrition rates)	56.93	71.88	40.91	61.61
Mortality Rate (-/+ 10% of mortality rates)	63.99	63.93	47.97	47.96

(iii) The expected future cash flows in respect of gratuity:

Projected benefits payable in future years from the reporting date	For the year ended 31 March 2026	For the year ended 31 March 2025 "
1st following year	13.29	12.53
2nd to 5th year	44.79	31.84
6th to 10 years	19.86	12.38
More than 10 years	5.98	6.08

B. Compensated absences:

The Company offers a leave encashment policy as part of compensated absences, which is categorized as a short-term benefit. Employees become eligible for earned leaves after successfully completing their probation period. Once confirmed, earned leaves accrue on a monthly basis. The Company also allows employees to carry forward a specific number of unused leave days from the previous year to the next anniversary cycle. Leave encashment will be paid upon an employee's departure from the company, up to the balance of carried-forward leaves. The provision for this benefit is estimated and measured on an undiscounted basis.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

36. INCOME TAXES

a) Amount recognized in Statement of Profit or Loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax	-	-
Deferred tax	-	-
Income tax expense reported in the Statement of Profit and Loss	**-**	**-**

b) Income tax recognized in Other Comprehensive Income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Remeasurement of the net defined benefit liability/asset	-	-
Tax (expense)/benefit	**-**	**-**

c) Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit/(loss) before tax	131.79	(2,218.37)
Tax amount at the enacted income tax rate	25.17%	25.17%
Income tax expense recognised in Statement of Profit and Loss*	**-**	**-**

*No current tax expense has been recognized during the year as the Group has sufficient brought-forward tax losses available for set-off against current year taxable profits. The tax impact of such losses has been considered in determining the current year's tax position.

d) The following table provides the details of income tax assets and income tax liabilities as at 31 March 2025:

Particulars	As at 31 March 2026	As at 31 March 2025
Advance income tax and tax deducted at source	99.00	117.47
Provision for taxes	-	-
Net income tax asset/(liability) at the end of the year	**99.00**	**117.47**

e) Deferred tax assets/liabilities:

Movement of deferred tax assets/liabilities presented in the balance sheet

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax assets on:		
Provision for compensated absences, gratuity and other employee benefits	22.31	16.08
Excess of depreciation provided for in the books over the depreciation allowed under the Income tax laws	97.71	57.61
Lease liabilities (net of Right-to-use asset) under Ind AS 116	224.59	141.88

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

e) Deferred tax assets/liabilities: (Contd.)

Particulars	As at 31 March 2026	As at 31 March 2025
Brought forward losses of earlier years	912.76	1,516.10
Gross deferred tax assets	**1,257.37**	**1,731.67**
Net deferred tax liabilities/(assets)	**(1,257.37)**	**(1,731.67)**

Although the Company reported profits during the year ended 31 March 2026, management believes that sufficient reasonable certainty regarding availability of future taxable income is not yet established. Accordingly, deferred tax assets have not been recognized for the year ended 31 March 2026 and 31 March 2025.

37. RELATED PARTY DISCLOSURES

(i) Names of related parties and description of relationship

A. Relationship

	Related Parties
Key Management Personnel (KMP)	Mr. Gaurav Singh Kushwaha, Managing Director Mr. Rumit Dugar, Chief Financial Officer Ms. Jasmeet Saluja, Company Secretary (upto 30 April 2025) Mr. Vipin Sharma, Chief Merchandising Officer Mr. Sudeep Nagar, Chief Operating Officer Mr. Paras Dilip Shah, Company Secretary (w.e.f. 4 July 2025)
Non executive - Nominee Directors	Mr. Prashanth Prakash Mr. Sameer Dilip Nath Mr. Vikram Gupta (upto 27 November 2024)
Non executive - Independent Directors	Mr. Rajesh Kumar Dahiya (w.e.f. 16 August 2024) Mr. Rohit Bhasin (w.e.f. 16 August 2024) Ms. Neha (w.e.f. 16 August 2024)
Associate	Redefine Fashion Private Limited

B. Other related parties with whom transactions have taken place during the year

Mrs. Arpita Tomar, Relative of KMP

Mrs. Poonam Dugar, Relative of KMP

Mrs. Duhita Nath, Relative of Director

Mrs. Shikha Parikh, Relative of KMP

Ms. Mallika Dahiya, Relative of Director

(ii) Related party transactions

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Remuneration paid/accrued to KMP's and Directors		
Mr. Gaurav Singh Kushwaha	94.21	30.83
Mr. Rumit Dugar	16.87	14.79
Mr. Vipin Sharma	16.01	13.24

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(ii) Related party transactions (Contd.)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Mr. Sudeep Nagar	16.59	13.87
Ms. Jasmeet Saluja	0.13	1.75
Mr. Rajesh Kumar Dahiya	1.60	1.70
Mr. Rohit Bhasin	1.80	1.75
Ms. Neha	2.15	1.80
Mr. Paras Dilip Shah	2.23	-
Sitting fees		
Mr. Rajesh Kumar Dahiya	2.00	0.55
Mr. Rohit Bhasin	1.80	0.50
Ms. Neha	1.45	0.45
ESOP exercised*		
Mr. Rumit Dugar	-	61.22
Mr. Vipin Sharma	127.98	40.39
Mr. Sudeep Nagar	22.41	53.49
Equity shares issued under Rights issue		
Mr. Gaurav Singh Kushwaha	-	313.31
Equity shares issued under private placement		
Mr. Gaurav Singh Kushwaha	-	751.40
The Promoter Contribution Shortfall		
Gaurav Singh Kushwaha	76.83	-
Sale of products		
Mr. Vikram Gupta	-	0.01
Mr. Vipin Sharma	0.07	0.13
Mr. Sudeep Nagar	0.01	0.17
Mrs. Arpita Tomar	0.92	3.83
Mrs. Poonam Dugar	0.08	0.05
Ms. Neha	0.37	0.09
Ms. Mallika Dahiya	-	0.27
Mrs. Duhita Nath	-	3.19
Mrs. Shikha Parikh	2.69	1.78

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(ii) Related party transactions (Contd.)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Investment in Associate		
Redefine Fashion Private Limited		
Equity shares	-	0.06
Compulsory convertible preference shares	-	104.94

(iii) Amounts outstanding as at the balance sheet date

Particulars	As at 31 March 2026	As at 31 March 2025
Payables to KMP's and Directors		
Mr. Gaurav Singh Kushwaha	63.60	3.60
Mr. Rumit Dugar	1.36	0.96
Mr. Vipin Sharma	1.36	0.96
Mr. Sudeep Nagar	1.36	0.96
Ms. Jasmeet Saluja	-	0.09
Mr. Rajesh Kumar Dahiya	0.40	-
Mr. Rohit Bhasin	0.45	-
Ms. Neha	0.60	-
Receivables from Directors		
Mrs. Duhita Nath	-	3.19

*ESOP exercised represents taxable amount.

Note:

(i) Mr. Rumit Dugar, Chief Financial Officer, undertook a one-time test transaction by leasing gold through a platform. The value of the resulting related party transaction was only a few rupees and was immaterial in nature.

(ii) The Group has not written off or written back any related party balances.

(iii) Provisions for post-retirement benefits, namely gratuity and leave encashment, are made for the company as a whole. The amount pertaining to Key management personnel has not been separately determined, accordingly, not included in the above note.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

38. EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to shareholders by the weighted average number of shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to shareholders by the weighted average number of shares outstanding during the year plus the weighted average number of shares that would be issued on conversion of all the dilutive potential shares into share capital.

The following table sets forth the computation of basic and diluted earnings per share:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit/(Loss) after tax for calculating basic and diluted EPS	148.37	(2,216.69)
Weighted average number of shares (for basic)	11,95,35,383	2,77,99,051
Weighted average number of shares (refer note below) (for diluted)	12,57,93,939	2,77,99,051
Earnings per share		
- Basic (Rupees/share)	1.10	(79.74)
- Diluted (Rupees/share)	1.05	(79.74)

Note: The impact of potential conversion of preference shares and ESOP into equity is anti-dilutive in nature for the previous year ended 31 March 2025 and accordingly, the basic and diluted loss per share are same.

Reconciliation of shares used in computing earnings per share

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Weighted average number of equity shares of ₹ 1 each used for calculation of basic earnings per share	11,95,35,383	2,77,99,051
Weighted average number of equity shares of ₹ 1 each used for calculation of diluted earnings per share		
Weighted average number of equity shares for calculation of basic earnings per share	11,95,35,383	2,77,99,051
Adjustments for employee share options	62,58,556	-
Weighted average number of equity shares adjusted for the effect of dilution	**12,57,93,939**	**2,77,99,051**

39. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of The Companies Act, 2013, a Group meeting the applicable threshold, needs to spend at least 2% of its average net profits for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

Since the Group has not made net profits during the three immediately preceding financial years, the Group is not required to spend the amount as prescribed under section 135(5) of the Act.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

40. EMPLOYEE STOCK OPTION PLAN

The ESOP scheme, named BlueStone Jewellery and Lifestyle Employees Stock Option Plan – 2014 ("ESOP 2014"), was initially approved by shareholders in 2014. It was subsequently amended and approved again in 2016, further revised and approved during an extraordinary general meeting in 2022, further amended and approved by shareholders in August 2024, and most recently amended and approved in May 2025.

The shares granted under the ESOP Plan do not vest on a single date but have graded vesting schedule with service conditions attached. As per Ind AS-102, "Share-based Payment", stock options have to be fair valued on the grant date and expense has to be recognised over the vesting period. The Company has accordingly determined the cost of the employee share-based payments considering the fair value principles.

The vesting period for these options spans from 1 to 7 years. They can be exercised by the grantee within a period of 10 years from the date of vesting.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Outstanding at the beginning of the year	**35,48,669**	**24,46,853**
Options granted during the year	16,47,192	20,56,016
Options vested during the year	(11,18,933)	(9,03,797)
Options lapsed during the year	(1,55,327)	(50,403)
Outstanding at the end of the year	**39,21,601**	**35,48,669**
Weighted average exercise price per option	1	1

Reconciliation of vested options:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Outstanding at the beginning of the year	**23,76,602**	**29,81,752**
Options vested during the year	11,18,933	9,03,797
Options exercised/modified during the year	(9,71,100)	(15,08,947)
Options expired during the year	(12,171)	-
Outstanding at the end of the year	**25,12,264**	**23,76,602**
Options exercisable at the end of the year	25,12,264	23,76,602

Fair value measurement

The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The weighted average remaining contractual life of the options outstanding as of 31 March 2025 under the ESOP (2014) option plan is 3.14 years.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

The fair value of the options is estimated on the date of grant using the Black-Scholes-Merton Model with the following inputs and assumptions:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
No of options granted	16,47,192	20,56,016
Date of grant	09-Apr-25 05-May-25	17-May-24 04-Jun-2024 01-Aug-24 27-Sep-24 27-Nov-24
Vesting Period	4 years	4 to 7 years
Dividend yield (%)	0%	0%
Volatility rate (%)	41.67%	41.57%
Risk free rate	6.77%	6.44%
Expected life of options (years)	4 years	4 to 7
Weighted average fair value of option per share	557.43	540.29

The stock price is arrived using the last round of funding closest to the grant date. Implied volatility is the unit at which the price of shares of peer listed companies has fluctuated during the past period. The expected time to maturity/expected life of options is the period for which the company expects the options to be alive, which has been taken as 4 to 7 years subject to adjustment of time lapse from the date of grant. The risk free rate considered for calculation is based on yield on government securities for 4 years as on date of valuation.

41. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT

a) The carrying value and fair value of financial instruments by categories are as below:

Particulars	As at 31 March 2026		As at 31 March 2025	
	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss
Financial assets				
Investments				
- Mutual Fund	-	436.14	-	508.35
- Equity shares and Preference Shares	30.04	-	85.56	-
Loans	0.02	-	-	-
Trade receivables	75.43	-	56.06	-
Cash and cash equivalents	1,075.24	-	487.75	-
Bank balances other than above	4,041.48	-	1,381.18	-
Other financial assets	3,764.05	-	4,064.73	52.16
Total assets	**8,986.26**	**436.14**	**6,075.28**	**560.51**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

a) The carrying value and fair value of financial instruments by categories are as below: (Contd.)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss
Financial liabilities				
Borrowings	7,443.23	-	7,286.18	-
Gold on loan	-	2,848.14	-	3,865.53
Lease liabilities	9,547.58	-	7,996.49	-
Trade payables	1,603.82	-	1,647.35	-
Other financial liabilities	2,372.76	78.94	2,414.32	77.78
Total liabilities	**20,967.39**	**2,927.08**	**19,344.34**	**3,943.31**

b) Measurement of fair values

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

a). recognized and measured at fair value.

b). measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is mentioned below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges are valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Financial instruments

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at 31 March 2026 and 31 March 2025.

Particulars	Date of valuation	Total	Level 1	Level 2	Level 3
FVTPL financial assets:					
Investments in Mutual Funds	As at 31 March 2026	436.14	436.14	-	-
Investments in Mutual Funds	As at 31 March 2025	508.35	508.35	-	-
Call Option - in subsidiary	As at 31 March 2026	18.22	-	18.22	-
Call Option - in subsidiary	As at 31 March 2025	52.16	-	52.16	-

Notes to the Consolidated Financial Statements

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Financial instruments (Contd.)

Particulars	Date of valuation	Total	Level 1	Level 2	Level 3
FVTPL financial liabilities:					
gold on loan	As at 31 March 2026	2,848.14	2,848.14	-	-
gold on loan	As at 31 March 2025	3,865.53	3,865.53	-	-
Derivative instruments in designated hedge accounting relationship	As at 31 March 2026	78.94	78.94	-	-
Derivative instruments in designated hedge accounting relationship	As at 31 March 2025	77.78	77.78	-	-

Transfers between Level 1, Level 2 and Level 3

There were no transfers between Level 1, Level 2 or Level 3 during the year ended 31 March 2026 and 31 March 2025.

Determination of fair values

Fair values of financial assets and liabilities have been determined for measurement and/ or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability:

i) The fair values of other current financial assets and financial liabilities are considered to be equivalent to their carrying values.

ii) The fair values of borrowings at fixed rates are considered to be equivalent to present value of the future contracted cashflows discounted at the current market rate.

42. FINANCIAL INSTRUMENTS - RISK MANAGEMENT

The Group has exposure to the following risks arising from financial instruments:

(i) credit risk (refer note (b) below);

(ii) liquidity risk (refer note (c) below);

(iii) market risk (refer note (d) below).

(a) Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's board oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group minimises the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of derivative financial instruments is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Group's risk management strategy.

The Group does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

Hedges Sell forward/future contracts:

Particulars	Nature of Hedge	Average rate (Per gram)	Quantity of hedge instruments (KGS)	Nominal amount (₹ in million)
31 March 2026	Fair value	14,691.04	205.00	3,011.66
31 March 2025	Fair value	8,861.49	370.00	3,278.75

Fair value hedge

The Group designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in gold prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. Therefore, there will be no impact of the fluctuation in the price of the gold on the Group's profit/(loss) for the period.

The table below shows the position of hedging instruments and hedged items as on the balance sheet date:

Commodity Price Risk	Carrying value of as at 31st March 2026		Maturity date	Impact of fair value hedge	Balance Sheet Disclosure
	Hedged item	Hedging Instrument			
Hedged item - fixed Gold	3,090.60	-	2 to 6 Months	78.94	Inventories
Hedging Instrument - Derivatives	-	78.94	2 to 6 Months	(78.94)	Other Financial Assets/(Liabilities)

Commodity Price Risk	Carrying value of as at 31st March 2025		Maturity date	Impact of fair value hedge	Balance Sheet Disclosure
	Hedged item	Hedging Instrument			
Hedged item - fixed Gold	3,356.53	-	2 to 6 Months	77.78	Inventories
Hedging Instrument - Derivatives	-	77.78	2 to 6 Months	(77.78)	Other Financial Assets/(Liabilities)

(b) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Group causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date. In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

Credit risk on receivables is limited as the nature of the business is cash and carry except for franchisee partners where there is adequate controls in place. The Group has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

Cash at bank and fixed deposits are placed with financial institutions which are regulated. As at the reporting date, there is no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset on the Balance Sheet.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

i) Expected credit loss (ECL) assessment for customers as at 31 March 2026 and 31 March 2025:

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to past payment history, security by way of deposits, external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgment. The following table provides information about the exposure to credit risk and expected credit loss for trade receivables.

Particulars	As at 31 March 2026	As at 31 March 2025
Gross carrying amount	75.43	56.06
Expected loss rate	0.00%	0.00%
Expected credit losses (Loss allowance provision)	-	-
Carrying amount of trade receivables (net of impairment)	**75.43**	**56.06**

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	-	1.60
Provision for expected credit loss	-	-
Provision for doubtful debt and other receivables	-	-
Write off of bad debts	-	(1.60)
Closing balance	**-**	**-**

ii) Cash and cash equivalents

The Group holds cash and cash equivalents of ₹ 1075.24 million as at 31 March 2026 (31 March 2025 - ₹ 487.75 million). The cash and cash equivalents are mainly held with banks which are rated AAA- to AA- based on third party ratings. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of counterparties.

iii) Other financial assets

The Group considers that its other financial assets have low credit risk based on its nature.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group reputation.

Management monitors rolling forecasts of the Group liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the Management of the Group in accordance with practice and limits set by the Group. In addition, the Group liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

(i) Exposure to liquidity risk

The table below details the Group remaining contractual maturity for its non-derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Particulars	Carrying amount	Total	0–12 months	1–2 years	2–5 years	More than 5 years
As at 31 March 2026						
Loans and borrowings	7,443.23	7,443.23	5,432.65	1,536.60	473.98	-
Gold on loan	2,848.14	2,848.14	2,848.14	-	-	-
Lease liabilities	9,547.58	11,507.28	1,508.58	1,915.84	5,070.92	3,011.94
Trade and other payables	1,603.82	1,603.82	1,603.82	-	-	-
Other financial liabilities	2,451.70	2,451.70	2,420.88	30.82	-	-
	23,894.47	**25,854.17**	**13,814.07**	**3,483.25**	**5,544.90**	**3,011.94**

Particulars	Carrying amount	Total	0–12 months	1–2 years	2–5 years	More than 5 years
As at 31 March 2025						
Loans and borrowings	7,286.18	7,286.18	5,313.35	1,917.32	55.51	-
Gold on loan	3,865.53	3,865.53	3,865.53	-	-	-
Lease liabilities	7,996.49	10,215.76	1,508.58	1,507.46	4,187.78	3,011.94
Trade and other payables	1,647.35	1,647.35	1,647.35	-	-	-
Other financial liabilities	2,492.10	2,492.10	2,348.79	143.31	-	-
	23,287.65	**25,506.92**	**14,683.60**	**3,568.09**	**4,243.29**	**3,011.94**

ii) Financing arrangement

The Group had ₹ 2,344.50 million (31 March 2025 - ₹ 632.01 million) undrawn borrowing facilities at the end of the reporting period.

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

i) Currency risk

The Group functional currency is Indian rupees (INR). The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Group's costs of imports, primarily in relation to other services.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency results in the Group overall debt position in rupee terms without the Group having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Group receivables in foreign currency.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

The carrying amounts of the Group's monetary assets and monetary liabilities at the end of the reporting year are as follows.

Currency exposure as at 31 March 2026 and 31 March 2025:

Particulars	31 March 2026		31 March 2025	
	Foreign Currency	₹ in million	Foreign Currency	₹ in million
Financial liabilities				
Trade Payables:				
- US Dollars	-	-	-	-

ii) 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 exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates.

The Group main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

Exposure to interest rate risk:

The exposure of the Group borrowing to interest rate changes at the end of the year are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Variable-rate instruments	3,512.72	2,051.07
Total Borrowings	**3,512.72**	**2,051.07**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have (increase)/ decrease loss by the amounts as under.

Particulars	Profit/(loss)	
	1% increase	1% decrease
Variable rate borrowings as at 31 March 2026	(35.13)	35.13
Variable rate borrowings as at 31 March 2025	(20.51)	20.51

iii) Commodity price risk

The Group is exposed to commodity price risk due to price fluctuations on account of gold prices. The risk management strategy against gold price fluctuation includes procuring gold on loan basis, with a flexibility to fix price of gold at any time during the tenor of the loan. The Group does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

The Group has an outstanding balance of gold on loan amounting to ₹ 2,848.14 million as at 31 March 2026 (31 March 2025 - ₹ 3,865.53 million).s

43. CAPITAL MANAGEMENT

For the purpose of the Group capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group capital management is to maximize the shareholder value.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

The Group policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group capital structure mainly constitutes debt and equity. The Group capital structure is influenced by the changes in regulatory framework, government policies, available options of financing and the impact of the same on the liquidity position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings (current and non-current) less cash and cash equivalents, other bank balances and deposits with bank unless marked for GML collateral and bank guarantee. Adjusted equity comprises all components of equity.

The Group adjusted net debt to equity ratio is analysed as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Total borrowings	7,443.23	7,286.18
Less: Cash and cash equivalents (refer note 15)	(1,075.24)	(383.58)
Less: Other bank balances and deposits with bank	(3,013.22)	(889.46)
Adjusted net debt	3,354.77	6,013.14
Total equity	**18,030.03**	**9,107.40**
Adjusted net debt to adjusted equity ratio	**0.19**	**0.66**

44. ANALYTICAL RATIOS

Ratio		Methodology	As at 31 March 2026	As at 31 March 2025	% change from 31 March 2025 to 31 March 2026	Explanation for the variance
a)	Current Ratio	Current assets over current liabilities	1.67	1.25	34%	Movement due to increase in current assets during the year.
b)	Debt - Equity Ratio	Debt(4) over total shareholders' equity	0.94	1.68	-44%	Movement due to increase in share capital (fresh issue) during the year.
c)	Debt Service Coverage Ratio	EBIT (1) over debt	0.13	(0.01)	NA	Movement due to profitability during the current year.
d)	Return on Equity Ratio	PAT (3) over total average equity	0.97%	-34.53%	NA	Movement due to increase in equity and profitability during the current year.
e)	Inventory Turnover Ratio	Cost of goods sold over average inventory	0.64	0.83	-23%	NA - as the variance is less than 25%

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

44. ANALYTICAL RATIOS (COntd.)

	Ratio	Methodology	As at 31 March 2026	As at 31 March 2025	% change from 31 March 2025 to 31 March 2026	Explanation for the variance
f)	Trade receivables turnover ratio	Revenue from operations over average trade receivables	370.60	443.48	-16%	NA - as the variance is less than 25%
g)	Trade payables turnover ratio	Net credit purchases(5) over average trade payables	10.77	7.82	38%	Movement on account of decrease in trade payables
h)	Net Capital Turnover Ratio	Revenue from operations over average working capital	2.62	10.48	-75%	Movement on account of increase in revenue and inventory
i)	Net Profit Ratio	Net profit over revenue	0.54%	-12.53%	NA	Movement due to increase in revenue and profitability in current year
j)	Return on Capital Employed	PBIT (2) over average capital employed(6)	10.95%	-1.01%	NA	Movement on account of profitability and increase in capital employed
k)	Return on Investment	Profit before tax over total assets	0.38%	-6.23%	NA	Movement on account of profitability

Notes:

1. EBIT - Earnings before interest and taxes.
2. PBIT - Profit before interest and taxes including other income.
3. PAT - Profit after taxes.
4. Debt includes current and non-current lease liabilities.
5. Credit purchases means gross credit purchases after deducting purchase returns. Gross credit purchases includes other expenses.
6. Capital employed refers to total shareholders' equity and debt.

45. RELATIONSHIP WITH STRUCK OFF COMPANIES

There are no transactions with the struck off companies during the year ended 31 March 2026 and 31 March 2025.

Notes to the Consolidated Financial Statements

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46. OPERATING SEGMENTS

The Group is engaged in design, manufacture and sale of jewellery, which constitutes a single segment. Accordingly, there are no separate reportable primary segments. Refer note 2.2.16.

The information relating to revenue from external customers has been disclosed as given below:

Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Domestic	24,364.24	17,700.02
Export	-	-
Total	**24,364.24**	**17,700.02**

Non-current assets

The entire non-current assets of the Company are located in India. Accordingly, no separate disclosure is required for non-current assets by geographical area outside India.

47. PROMOTER CONTRIBUTION

Securities premium includes ₹ 76.83 million contributed by the Promoter of the Company towards the "Promoter contribution shortfall amount" in compliance with Regulation 15 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations.

48. COMMITMENTS AND CONTINGENCIES

Commitments

Estimated amount of Contracts remaining to be executed on capital account (net of advances) is ₹ 114.55 million (31 March 2025 - ₹ 248.30 million).

Contingent liabilities

As of the 31 March 2026 and 31 March 2025, the Group has assessed its obligations and confirms that there are no contingent liabilities requiring disclosure.

49. OTHER STATUTORY INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

(vii) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

(All amounts are in INR million unless otherwise stated)

(viii) Details of Inter-corporate deposits given and investments made during the year as per Section 186 of the Act:

Name of the entity	Nature of relationship	Secured/ unsecured	Purpose	Rate of interest	Term	As at 1 April 2025	Movement during the period	As at 31 March 2026
Inter-corporate deposits								
Blacksoil Capital Private Limited	Others	Unsecured	ICD against vendor financing	7.00%	12 months	31.25	33.50	64.75
Capsave Finance Private Limited	Others	Unsecured	FD lien against WCDL	NA	12 months	20.00	(19.45)	0.55

Name of the entity	Nature of relationship	Purpose	As at 1 April 2025	Investment made during the period	Investment sold/impaired during the year	As at 31 March 2026
Investments						
Redefine Fashion Private Limited	Associate	Strategic investment	105.00	-	-	105.00

(ix) Additional information on the entities included in the Consolidated Financial Statements:

Name of the entity in the Group	Net Assets i.e., total assets minus total 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 net assets	Amount	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount
Parent								
BlueStone Jewellery and Lifestyle Limited	98.13%	18,184.10	135.21%	260.00	100.00%	(0.23)	135.25%	259.77
Subsidiary								
Ethereal House Private Limited	1.87%	345.78	-35.21%	(67.71)	-	-	-35.25%	(67.71)
	100.00%	**18,529.88**	**100.00%**	**192.29**	**100.00%**	**(0.23)**	**100.00%**	**192.06**
Adjustment on account of consolidation	-	(424.90)	-	(4.98)	-	-	-	(4.98)
Non-controlling interest in subsidiary	-	(23.08)	-	16.58	-	-	-	16.58
Associate								
Redefine Fashion Private Limited	-	(74.96)	-	(55.52)	-	-	-	(55.52)
Total	**-**	**18,006.95**	**-**	**148.37**	**-**	**(0.23)**	**-**	**148.14**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

50. INVESTMENT IN ASSOCIATE COMPANY

There are no material associate to the group as at 31 March 2025 which would require disclosure under Ind AS -112 "Disclosure of Interests in Other Entities".

Name of the Associate	Country of incorporation and principal place of business	Proportion of Ownership Interest
Redefine Fashion Private Limited	India	49.12%

Particulars	As at 31 March 2026
Total comprehensive profit/(loss) for the year	(108.44)
Group's share of total comprehensive profit/(loss) for the year	**(55.52)**

51. AUDIT TRAIL COMPLIANCE

Pursuant to the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014:

a. The Group maintains its books of account in an accounting software whose audit trail (edit log) feature at the application level was enabled and operated throughout the year for all relevant transactions, with no instance of tampering noted, and has been preserved as required by statute. The underlying database is maintained by a third-party service provider; in the absence of adequate coverage in the SOC report, management is unable to comment on whether an audit trail feature exists at the database level for direct data changes, whether it was enabled and operated throughout the year, whether any tampering occurred, or whether such trails have been preserved for prior years.

b. In respect of the inventory management and POS (revenue) softwares, the audit trail feature was not enabled at the database level to log direct data changes. To the extent enabled, it operated throughout the year for all relevant transactions with no instance of tampering noted, and such trails have been preserved as required by statute, including for prior years.

c. In respect of the lease-processing software maintained by a third-party service provider, in the absence of adequate coverage in the SOC report, management is unable to comment on whether the software has an audit trail feature, whether it was enabled and operated throughout the year, whether any tampering occurred, or whether such trails have been preserved for prior years.

d. In respect of the payroll software used up to July 16, 2025 and maintained by a third-party service provider, in the absence of a SOC report, management is unable to comment on whether the software has an audit trail feature, whether it was enabled and operated throughout the year, whether any tampering occurred, or whether such trails have been preserved for prior years.

52. MAINTENANCE OF BOOKS OF ACCOUNTS ON SERVER IN INDIA

The Group has used certain accounting software applications for maintaining its books of account during the year ended March 31, 2026. Management confirms that, except as stated below, the books of account and other relevant books and papers maintained in electronic mode are accessible in India at all times and that backup of such records is maintained on a daily basis on servers physically located in India, in compliance with the requirements of the Companies (Accounts) Rules, 2014, as amended. However:

i) in respect of the payroll processing software used up to July 15, 2025, management is unable to assess whether backup of the books of account and other books and papers maintained in electronic mode was preserved on servers physically located in India on a daily basis, due to the non-availability of a Service Organization Controls (SOC) report from the service provider.

ii) In respect of the lease processing software, management is unable to assess whether backup of the books of account and other books and papers maintained in electronic mode was maintained on a daily basis as required,

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

as the SOC report obtained does not provide adequate evidence regarding the relevant backup controls.

Accordingly, management is unable to comment on compliance with the aforesaid requirements in respect of the above-mentioned software applications."

53. FAIR VALUE OF CONTINGENT CALL OPTIONS

As at 31 March 2026, the Company has recognized a financial asset representing the fair value of contingent call options under the Shareholders' Agreement dated 06 January 2025, with Ethereal House Private Limited ("Ethereal"). These options are linked to the achievement or non-achievement of specific revenue and EBITDA milestones over defined periods.

The fair value has been determined using a Monte Carlo Simulation technique, based on projected revenues, EBITDA margins, and net asset values. The model incorporates assumptions regarding revenue growth, volatility based on comparable listed companies, and risk-free interest rates as published by FIMMDA. The valuation considers the probability of milestone achievement or failure, with contingent rights triggered only upon non-achievement conditions.

The fair value of ₹ 18.22 million (31 March 2025: ₹ 52.16 million) has been recognized as a financial asset under 'Financial Assets at Fair Value through Profit or Loss' in the financial statements. Any subsequent changes in fair value will be recognized in profit or loss in accordance with applicable accounting standards.

54. ACQUISITION OF ETHEREAL HOUSE PRIVATE LIMITED (EHPL)

During the previous year, the Company had acquired controlling stake of Ethereal House Private Limited (EHPL), a newly incorporated entity with no operations or assets other than initial cash contributed by its founders.

As EHPL lacked any substantive process, organized workforce, or other economic resources, the acquisition does not qualify as a business combination under Ind AS 103. Further, as no tangible or intangible assets were acquired (other than cash), it also does not qualify as an asset acquisition.

Accordingly, the transaction has been accounted for as a corporate control transaction. No goodwill, capital reserve, or revaluation of assets or liabilities has been recognized. EHPL has been consolidated line-by-line from the date the Company obtained control."

55. EVENTS AFTER THE REPORTING PERIOD

The Group evaluated all events or transactions that occurred after 31 March 2026 up through 23 April 2026, the date the consolidated financial statements were approved for issue by the Board of Directors. Based on this evaluation, the Group is not aware of any events or transactions that would require recognition or disclosure in the consolidated financial statements.

56. During the current financial year, the Company has completed its Initial Public Offe ("IPO") of 29,799,798 equity shares of face value of ₹ 1 each comprising of fresh issue of 15,860,735 equity shares at an issue price of ₹ 517 per equity share aggregating to ₹ 8,200 million and an offer for sale of 13,939,063 equity shares at an issue price of ₹ 517 per equity share aggregating to ₹ 7406.50 million. Pursuant to IPO, equity shares of the Company were listed on BSE Limited and National Stock Exchange w.e.f. 19 August 2025.

The Company has received an amount of ₹ 7,707.49 million (net of IPO expenses of ₹ 492.51 million) from proceeds out of fresh issue of equity shares. The IPO expenses incurred of ₹ 413.38 million has been adjusted against securities premium."

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026 (All amounts are in INR million unless otherwise stated)

The utilisation of net IPO proceeds is summarised below:

Objects of issue as per prospectus	Amount as proposed in the Offer Document	Amount utilized up to 31 March 2026	Total unutilised amount as on 31 March 2026
Working capital requirement	7,500.00	7,256.50	243.50
General corporate purpose	207.50	150.00	57.50
Issue expenses	492.50	227.20	265.30
Total	**8,200.00**	**7,633.70**	**566.30**

Out of the net proceeds which were unutilised as at 31 March 2026, ₹ 500 million are temporarily invested in fixed deposits and ₹ 66.30 million is held in the Company's public account.

57. THE CODE ON SOCIAL SECURITY, 2020

Effective 21 November 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations.

Based on the best information available and in line with the guidance issued by the Institute of Chartered Accountants of India, the Group has assessed and disclosed the incremental impact of these changes. The incremental impact, amounting to ₹ 4.15 million relating to gratuity and long-term compensated absences, primarily arises from the revised definition of wages.

The Group continues to monitor the finalisation of Central/State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

58. Previous year's figures have been regrouped/reclassified, wherever necessary, to confirm to current year classification.

As per our report of even date
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm registration number: 105047W/W101187

For and on behalf of Board of directors of
BlueStone Jewellery and Lifestyle Limited

Ankush Agrawal
Partner
Membership No: 159694

Place: Bangalore
Date: 23 April 2026

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 23 April 2026

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 23 April 2026

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 23 April 2026

Paras Shah
Company Secretary
Membership No: 30357

Place: Bangalore
Date: 23 April 2026

BLUESTONE

BLUESTONE JEWELLERY AND LIFESTYLE LIMITED

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