BlueStone

Jewellery & Lifestyle Limited

ANNUAL REPORT 2024-25

Corporate Information

COMPANY IDENTIFICATION NUMBER:
U72900KA2011PLC059678
(CIN Change is under Process)

DATE OF INCORPORATION: July 22, 2011

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

CORPORATE OFFICE:
302, Dhantak Plaza, Makwana Road,
Marol Andheri East, Marol Naka,
Mumbai, Maharashtra, India – 400059.

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
(appointed with effect from August 16, 2024)

Ms. Neha
Independent Director
(appointed with effect from August 16, 2024)

Mr. Rajesh Kumar Dahiya
Independent Director
(appointed with effect from August 16, 2024)

Mr. Vikram Gupta
Nominee Director
(Resigned from the directorship with effect from November 27, 2024)

KEY MANAGERIAL PERSONNEL (KMP):

Mr. Gaurav Singh Kushwaha
Chairman and Managing Director

Mr. Rumit Dugar
Chief Financial Officer

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

Mr. Paras Shah
Company Secretary
(appointed with effect from July 15, 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) (Senior Managerial Personnel with effect from July 15, 2025)

MEMBERS OF COMMITTEE:

Audit Committee:

Mr. Rohit Bhasin, Chairperson

Mr. Rajesh Kumar Dahiya, Member

Mr. Sameer Dileep Nath, Member

Nomination & Remuneration Committee:

Mr. Rajesh Kumar Dahiya, Chairperson

Ms. Neha, Member

Mr. Prashanth Prakash, Member

Risk Management Committee:

Mr. Rohit Bhasin, Chairperson

Mr. Rajesh Kumar Dahiya, Member

Ms. Neha, Member

Mr. Sameer Dileep Nath, Member

Stakeholders Relationship Committee:

Mr. Rajesh Kumar Dahiya, Chairperson

Mr. Rohit Bhasin, Member

Mr. Prashant Prakash, Member

Ms. Neha, Member

Corporate Social Responsibility Committee:

Mr. Rajesh Kumar Dahiya, Chairperson

Mr. Rohit Bhasin, Member

Mr. Prashanth Prakash, Member

AUDITORS:

Statutory Auditor:
M/s. M S K A & Associates, Chartered Accountants

Internal Auditor:
M/s. Nexdigm Private Limited

REGISTRAR & SHARE TRANSFER AGENTS:

KFin Technologies Limited

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

STOCK EXCHANGES WHERE THE COMPANY SECURITIES ARE LISTED (LISTED WITH EFFECT FROM AUGUST 19, 2025):

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

MANUFCATURING UNITS OF THE COMPANY:

- **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

ICICI Bank Limited

HDFC Bank Limited

Kotak Mahindra Bank Limited

Yes Bank Limited

IDFC First Bank Limited

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Shareholder Letter

DEAR SHAREHOLDERS,

FY25 was a landmark year in the journey of BlueStone. We reached the milestone of **275 stores across more than 100 cities** and continued to deliver strong growth momentum. In August 2025, we stepped into the public markets with the successful completion of our IPO — a proud achievement that reflects the confidence you have placed in our vision, business model, and people.

Our performance during the year demonstrated both resilience and momentum. **Standalone revenues grew by ~40% year-on-year**, led by healthy same-store sales growth and the continued expansion of our omni-channel network. This was delivered despite a record upward movement in gold prices during FY25, which impacted consumer decision-making and sentiment. That said, our unique model of acquiring customers digitally and fulfilling them through a personalized store experience continues to differentiate us in the jewellery market.

FY25 was also a year of **significant investments**, as we added more than 80 new stores. While many of these cohorts are still young, they are supported by strong unit economics that improve with maturity. Naturally, these investments come with upfront operating costs, yet even with this front-loaded spend, we continued to operate with **positive EBITDA**. Our long term profitability is underpinned by multiple drivers — operating leverage from scale benefits in A&P and corporate costs, manufacturing efficiencies that enhance contribution margins, and improving store-level economics as newer stores mature.

Looking ahead, we are deeply optimistic about the structural opportunity before us. Jewellery retail in India is undergoing a generational transformation — from unorganised to organised, from offline-only to omni-channel, and from jewellery for the locker to jewellery for the wardrobe. **BlueStone stands at the forefront of this shift**. With a strong brand, digital-first DNA, efficient supply chain, and an expanding store network, we are confident of building a scalable and profitable franchise.

As we move into FY26 and beyond, our priorities remain clear: expand our omni-channel presence, invest in customer experience and design leadership, drive efficiencies through technology and manufacturing, and continue to balance growth with profitability.

On behalf of the entire BlueStone team, I want to thank you for your trust and partnership. Together, we look forward to shaping the next chapter of our journey as a listed company.

Gaurav Singh Kushwaha
Managing Director

Notice

NOTICE is hereby given that the 14th 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, September 29, 2025 at 12.00 p.m. noon (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 Report of the Board of Directors and Auditors thereon for the financial year ended March 31, 2025.

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company together with Auditors Report's thereon for the financial year ended March 31, 2025.

3. To appoint a director in place of Mr. Prashanth Prakash, Director (DIN: 00041560), who retires by rotation and being eligible, has offered himself for re-appointment.

SPECIAL BUSINESS:

4. APPOINTMENT OF M/S. MIHEN HALANI AND ASSOCIATES, COMPANY SECRETARIES, AS THE SECRETARIAL AUDITORS OF THE COMPANY FOR A TERM OF FIVE (5) CONSECUTIVE YEARS:

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

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 **("Companies Act")**, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations")** (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and based on the recommendation of the Audit Committee and the Board of Directors of the Company, (hereinafter referred to as **"Board"**, which term shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its powers, including powers conferred under this resolution), the approval of the Members of the Company be and is hereby accorded for the appointment of M/s. Mihen Halani & Associates, Practicing Company Secretaries (Peer Review Certificate no. 6925/2025) (Proprietor Mr. Mihen Halani, FCS No.9926) as the Secretarial Auditor of the Company for a term of five (5) consecutive years, commencing from the Financial Year 2025-26 to 2029-30, to conduct the Secretarial Audit of the Company and to furnish the Secretarial Audit Report, at such remuneration as may be determined by the Board of Directors of the Company in consultation with the Secretarial Auditors."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company the Chief Financial Officer and the Company Secretary be and are hereby severally authorized to take from time to time all decisions and such steps as may be necessary and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate and settle any question, difficulty or doubt that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

5. RECLASSIFICATION OF THE AUTHORISED SHARE CAPITAL AND CONSEQUENT AMENDMENT TO THE CAPITAL CLAUSE IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:

To consider, and if thought fit, to pass, with or without modifications, the following resolutions as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 13, 61, 64 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") (along with any rules thereunder, including any statutory modification(s) or re-enactment thereof for time being in force and as may be enacted from time to time), and the Articles of Association of the Company (AOA), as agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee and subcommittee which the Board may have constituted or shall hereinafter constitute to exercise its powers including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded to reclassify the authorized share capital of the Company from the existing ₹ 45,05,00,000/- (Indian Rupees Forty Five Crores Five Lacs only) divided into the following classes:

i. 16,82,90,700 (Sixteen Crore Eighty-Two Lakhs Ninety Thousand Seven Hundred) Equity Shares of Re. 1/- (Rupee One Only) each aggregating to ₹ 16,82,90,700/- (Rupees Sixteen Crore Eighty-Two Lakhs Ninety Thousand Seven Hundred Only);

ii. 6,09,594 (Six Lakh Nine Thousand Five Hundred Ninety-Four) Series A Preference Shares of ₹ 10/- (Rupee Ten Only) each aggregating to ₹ 60,95,940 (Rupees Sixty Lakhs Ninety Five Thousand Nine Hundred Forty Only);

iii. 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);

iv. 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);

v. 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);

vi. 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);

vii. 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);

viii. 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);

ix. 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);

x. 6,00,000 (Six Lakhs) Series D2 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 60,00,000/- (Rupees Sixty Lakhs Only);

xi. 3,00,000 (Three Lakhs) Series D3 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 30,00,000/- (Rupees Thirty Lakhs Only);

xii. 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):

xiii. 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);

xiv. 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);

xv. 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); and

xvi. 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).

xvii. 1,05,00,000 (One Crore Five Lakh) Series H Preference Shares of Re. 1/- (Rupee One only) each aggregating to ₹1,05,00,000/- (Rupees One Crores Five Lakhs Only)."

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 ₹ 1/- (Indian Rupee One only) each, by way of cancellation of unissued Preference Shares of the Company.

"RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause 5th thereof by the following new Clause 5th:

"5th. The Authorized Share Capital of the Company is ₹ 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 ₹ 1/- (Indian Rupee One only) each, as may be increased, reduced, varied, modified and/or reclassified in accordance with the Articles of Association of the Company and the Act, from time to time. "

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, any of the directors, the Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters, and things as may be required to give effect to the aforesaid resolution including the filing of Form SH-7, Form MGT-14 and any other necessary e-forms and documents with the Registrar of the Companies under the Ministry of Corporate Affairs."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as 'Board', which term shall be deemed to include the Committee of the Board and any duly constituted committee empowered to exercise its powers, including powers conferred under this resolution), be and is hereby authorized to take from time to time all decisions and such steps as may be necessary and to execute such documents, deeds, writings, papers and/ or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate and settle any question, difficulty or doubt that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT any of the Directors, the Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorized to issue certified true copies of the above resolutions and the same may be forwarded to any concerned authorities for necessary action."

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

Sd/-
Paras Shah
Company Secretary
ACS: 30357

Place: Mumbai
Date: 04th September, 2025

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

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. The Board of Directors of the Company has considered and decided to include Item Nos. 4 and 5, as Special Business in the forthcoming Annual General Meeting **("AGM")**.

2. The Ministry of Corporate Affairs **("MCA")** has, vide its General Circular dated September 19, 2024 read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 (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 FY2024-25 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 FY2024-25 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 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 29, 2025. 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 participants(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#governance. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively if listed 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 2024-25 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 2024-25 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 2024-25 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 Share Registrar and 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 reappointment 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 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 Transfer Agents, 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 26, 2025 at 09:00 A.M. IST and ends on Sunday, September 28, 2025 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 22, 2025, 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 22, 2025.

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. 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

Type of shareholders	Login Method
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 info@cspjoshi.com; with a copy marked to evoting@nsdl.co.in. 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. Parth Joshi, Proprietor of M/s. Parth Joshi & Co., Company Secretaries (ACS No. 47604/CP No. 24341), 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 – Re-appointment of Mr. Prashanth Prakash (DIN: 00041560) who retires by rotation, and being eligible, offers himself for re-appointment

Mr. Prashanth Prakash (DIN: 00041560), as a Non-Executive Director of the Company, is liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

Mr. Prashanth Prakash (DIN: 00041560), aged 60 years, is Bachelor's degree in engineering, specializing in computer science and technology, from Bangalore University, Master's degree in science from the University of Delaware; and Honorary Doctor of Science from the University of Mysore. Mr. Prashanth Prakash (DIN: 00041560) joined Accel in 2008 and focuses on consumer, online marketplaces, and SaaS companies. He started his investing career as a co-founder of Erasmic, one of India's first early-stage funds, and before that, founded two companies in the Internet and multimedia publishing sectors.

Disclosure relating to Director pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) are given hereunder:

Date of First Appointment on the Board	**October 26, 2011**
Date of Birth	May 29, 1965
Expertise in specific functional area, experience, skills and capabilities required for the	Governance and Risk Management, Human Capital, Strategic Direction, Mergers and Acquisitions, Tech and Digital and Innovation
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None
Terms and conditions of appointment	Proposed to be re-appointed as a Director of the Company, Liable to retire by rotation.
Shareholding of Non-Executive Directors in the listed entity including shareholding as a beneficial owner	None
Chairpersonship/Membership of the Committee(s) of the Board of Directors of the Company as on the date of Notice	Member of Nomination and Remuneration Committee; Member of Stakeholder's Relationship Committee; Member of Corporate Social Responsibility Committee.
Other Directorships	As per Annexure 1
Membership/Chairmanship of committee of other public limited companies in which he/she is a Director	Audit Committee: NIL Stakeholders' Relationship Committee: Nil (Pursuant to Regulation 26 of the Listing Regulations, only two Committee viz. Audit Committee and Stakeholders' Relationship Committee have been considered.)
Listed entities in which the Director has resigned in past three years	NIL

ANNEXURE 1: OTHER DIRECTORSHIPS/DETAILS FOR MR. PRASHANTH PRAKASH

Sr. No.	Names of the Companies	Designation
1.	Erasmic Consulting Private Limited	Whole-time director
2.	Big Tree Entertainment Private Limited	Director
3.	Leapmile Logistics Private Limited	Director
4.	ULink AgriTech Private Limited	Director
5.	Homevista Décor and Furnishings Private Limited	Director
6.	Furn Bambu Private Limited	Director
7.	Karnataka Digital Economy Mission	Nominee Director
8.	Krishi Kalpa Foundation	Director
9.	Hella Infra Market Limited	Nominee Director
10.	Vilcart Solutions Private Limited	Director
11.	ACT Capital Foundation for Social Impact	Director
12.	I-Hub For Robotics And Autonomous Systems Innovation Foundation	Director
13.	Culkey Foundation	Director
14.	Unboxing BLR Foundation	Director
15.	BioPeak Wellness Private Limited	Director
16.	Edunetwork Private Limited	Nominee Director

He does not hold equity shares in the Company. He has attended 17 board meetings out of 17 board meetings held during the FY 2024-2025.

Mr. Prashanth Prakash is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013 or debarred from holding the office of director by virtue of any regulatory or statutory orders passed by any government, regulatory or statutory authority including but not limited to the SEBI.

Expect Mr. Prashanth Prakash, being the appointee herein and his relatives to the extent of their shareholding in the Company, if any None of the Promoter, key managerial personnel or directors 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 Notice.

In terms of Regulation 17 of the SEBI (LODR) Regulations, 2015, and Section 152 of the Companies Act, 2013, the Board recommends passing of the ordinary resolution set out at Item No. 3 of the accompanying Notice for approval by the Members of the Company.

ITEM NO. 4 - APPOINTMENT OF M/S. MIHEN HALANI AND ASSOCIATES, COMPANY SECRETARIES, AS THE SECRETARIAL AUDITORS OF THE COMPANY FOR A TERM OF FIVE (5) CONSECUTIVE YEARS:

In accordance with Section 204 of the Companies Act, 2013 (**"Act"**) read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**), every listed entity is required to appoint a Practicing Company Secretary for not more than one term of five consecutive years or a firm of Practicing Company Secretaries as Secretarial Auditors for not more than two terms of five consecutive years, with the approval of the Members at its Annual General Meeting (**"AGM"**) and such Secretarial Auditors(s) is required to be a peer reviewed company secretary.

Based on the recommendation of the Audit Committee, the Board, at its meeting held on September 04, 2025, after evaluating all the criteria and considering various factors such as independence, industry experience across listed entities, technical skills, competency, efficiency in conducting the audit etc., has approved the appointment of M/s. Mihen Halani & Associates, Company Secretaries, (Peer Review Certificate no. 6925/2025) (Proprietor Mr. Mihen Halani, FCS No.9926) as Secretarial Auditors of the Company for a term of five consecutive years commencing from Financial Year 2025-26 up to the Financial Year 2029-30, subject to the approval of the Members of the Company.

Brief Profile of M/s. Mihen Halani & Associates is as follows:

With a vision to regard the law relating to corporate governance as prime and with the courage to provide flexible corporate governance business solutions, M/s. Mihen Halani & Associates ("MHA"), was established in the year 2013. The firm is led by CS Mihen Halani, a Fellow Member of the Institute of Company Secretaries of India (ICSI), with overall 15 years of experience advising diverse businesses across sectors such as Real Estate, Infrastructure, Finance, and Technology. MHAs' versatile team has extensive company secretarial, governance and legal expertise spanning a wide range of specialisms, industries & sectors. The team closely works with the board of directors to provide a suitable governance framework in a wide range of organizations from unlisted/listed companies, start-ups to multinational companies. The team has been successful in planning and implementing innovative strategies to meet the dynamic nature of law and business. MHA adheres to the highest professional standards to provide quality and time bound services. MHA has established values and work ethics which have paved the way towards achieving governance standards in organizations at various levels. MHA looks forward for creating a path that shall create a brand value which is synonymous to trust and value addition.

M/s. Mihen Halani & Associates, have given their consent to act as the Secretarial Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 204 of the Act and Regulation 24A of the Listing Regulations.

Based on the recommendation of the Audit Committee and the Board of Directors, the proposed remuneration payable to the Secretarial Auditors for the Financial Year 2025-26 is ₹ 1,00,000/- excluding applicable taxes and out-of-pocket expenses. The remuneration for subsequent year(s) of their tenure shall be determined by the Board (upon recommendation of the Audit Committee), in consultation with the Secretarial Auditors.

The Board in consultation with the Audit Committee may alter or vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditors.

None of the promoters, directors or 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. 4 of the Notice.

In terms of Regulation 17 of the SEBI (LODR) Regulations, 2015, the Board recommends passing of the Ordinary resolution set out at Item No. 4 of the accompanying Notice for approval by the Members of the Company.

Members' approval is sought by way of **ordinary resolution** proposed under Item no. 4 of the accompanying Notice.

ITEM NO. 5: RECLASSIFICATION OF THE AUTHORISED SHARE CAPITAL AND CONSEQUENT AMENDMENT TO THE CAPITAL CLAUSE IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:

The Memorandum of Association (MOA) is a foundational statutory document that defines the scope and framework of a company's operations. It comprises essential clauses, including the Object Clause, which delineates the primary and ancillary objectives for which the company is incorporated, thereby guiding its legal and operational boundaries under the Companies Act, 2013. The Board of Directors, in their meeting held on September 04, 2025, approved the reclassification of the Authorized Capital of the Company, subject to the approval of the Shareholders of the Company. The Authorized Capital of the Company will be reclassified as mentioned in the resolution set out in Item no. 5 of this Notice.

The Articles of Association of the Company, permits the Company to alter its Authorised Share Capital. The proposed change of capital clause requires the approval of shareholders through Ordinary Resolution pursuant to the applicable provisions of the Companies Act, 2013.

The Board at its meeting held on September 04, 2025, considered and approved the reclassification of the Authorised Share Capital of the Company and consequent amendment to the Memorandum of Association of the Company, subject to the approval of the shareholders as per the following details:

From current authorized capital of ₹ 45,05,00,000/- (Indian Rupees Forty Five Crores Five Lacs only) divided into the following classes:

i. 16,82,90,700 (Sixteen Crore Eighty-Two Lakhs Ninety Thousand Seven Hundred) Equity Shares of Re. 1/- (Rupee One Only) each aggregating to ₹ 16,82,90,700/- (Rupees Sixteen Crore Eighty-Two Lakhs Ninety Thousand Seven Hundred Only);

ii. 6,09,594 (Six Lakh Nine Thousand Five Hundred Ninety-Four) Series A Preference Shares of ₹ 10/- (Rupee Ten Only) each aggregating to ₹ 60,95,940 (Rupees Sixty Lakhs Ninety Five Thousand Nine Hundred Forty Only);

iii. 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);

iv. 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);

v. 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);

vi. 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);

vii. 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);

viii. 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);

ix. 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);

x. 6,00,000 (Six Lakhs) Series D2 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 60,00,000/- (Rupees Sixty Lakhs Only);

xi. 3,00,000 (Three Lakhs) Series D3 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 30,00,000/- (Rupees Thirty Lakhs Only)

xii. 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):

xiii. 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);

xiv. 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);

xv. 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); and

xvi. 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).

xvii. 1,05,00,000 (One Crore Five Lakh) Series H Preference Shares of Re. 1/- (Rupee One only) each aggregating to ₹1,05,00,000/- (Rupees One Crores Five Lakhs Only)."

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 ₹ 1/- (Indian Rupee One only) each, by way of cancellation of unissued Preference Shares of the Company.

A copy of the proposed Memorandum of Association of the Company would be available for inspection for the Members at the Registered Office/Corporate Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of the General Meeting and shall also be uploaded on the website of the Company at "https://www.bluestone.com/investor-relations.html#governance".

As per the provisions of the Sections 13, 61, 64 and other applicable provisions of the Companies Act, 2013 (and rules and regulations thereunder), consent of the Members by way of an Ordinary Resolution, is required to approve the alteration in the Memorandum of Association of the Company.

Accordingly, the consent of the members is being sought for alteration of the Memorandum of Association as mentioned in the ordinary resolution at item no.5 of the accompanying notice.

None of the promoters, Directors or Key Managerial Personnel of the Company and/or the relatives may be deemed to be concerned or interested, financially or otherwise, in the proposed resolution except to the extent of their shareholding in the Company, if any.

In terms of Regulation 17 of the SEBI (LODR) Regulations, 2015, the Board recommends passing of the Ordinary resolution set out at Item No. 5 of the accompanying Notice for approval by the Members of the Company.

Members' approval is sought by way of **ordinary resolution** proposed under Item no. 5 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/-
Paras Shah
Company Secretary
ACS: 30357

Place: Mumbai
Date: 04th September, 2025

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

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)
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)
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)____

Signature ____________________________________

Witness with name and address:____

Board's Report

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

Your directors are pleased to present the 14th Annual Report of the Company, along with the Audited Financial Statements for the year ended March 31, 2025.

1. FINANCIAL RESULTS/FINANCIAL SUMMARY:

(INR in millions)

Particulars	Standalone		Consolidation
	For Year ended on March 31, 2025	For Year ended on March 31, 2024	For Year ended on March 31, 2025
Revenue from operations	17,700.02	12,658.39	17,700.02
Other Income	599.18	376.52	600.34
Total Income	**18,299.20**	**13,034.91**	**18,300.36**
Total Expenses	**20,491.35**	**14,457.27**	**20,499.29**
Share of Loss of Associate	**-**	**-**	**(19.44)**
Profit/(Loss) before Tax	**(2,192.15)**	**(1,422.36)**	**(2,218.37)**
Less: Provisions for taxation	-	-	-
Less: Deferred Tax Liability	-	-	-
Profit/(Loss) for the year	**(2,192.15)**	**(1,422.36)**	**(2,218.37)**
Other comprehensive income			
Re-measurement of defined benefit liability/(asset)	(8.10)	9.77	(8.10)
Total comprehensive loss for the year	**(2,200.24)**	**(1,412.59)**	**(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 ₹ 17,700.02 million, a significant increase from ₹ 12,658.39 million in the previous year. Other income also saw a rise, reaching ₹ 599.18 million compared to ₹ 376.52 million in the previous financial year. Total expenses for the year were ₹ 20,491.35 million, up from ₹ 14,457.27 million in the previous financial year. As a result, the Company recorded a loss of ₹ 2,192.15 million, as compared to loss of ₹ 1,422.36 million in the previous financial year.

3. DIVIDEND AND DIVIDEND POLICY:

Considering the loss incurred in the current financial year, your Directors have not recommended 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 -> Company Policies"

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

4. TRANSFER TO RESERVES:

In view of loss incurred 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 report, there were no changes in the general nature of the business of your Company.

6. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A):

Not applicable, since the Company was not a 'listed company' for the period under review.

Please note that the Company undertook its Initial Public Offer (IPO) for ₹ 15,40,64,95,566/- consisting of 29,799,798/- Equity shares at issue price of ₹ 517/- each and got its shares listed on both the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited on August 19, 2025. The IPO involved a fresh issue of 15,860,735 Equity Shares of face value INR 1 each and an offer for sale of 13,939,063 Equity shares of face value of INR 1 each.

The funds raised through IPO do not fall under the financial year under review.

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, 2025:

As on March 31, 2025, the authorised share capital of the Company is ₹ 45,05,00,000/- (Rupees Forty-Five Crores Five Lakhs Only) divided into:

i. 16,82,90,700 (Sixteen Crore Eighty-Two Lakhs Ninety Thousand Seven Hundred) Equity Shares of Re. 1/- (Rupee One Only) each aggregating to ₹ 16,82,90,700/- (Rupees Sixteen Crore Eighty-Two Lakhs Ninety Thousand Seven Hundred Only);

ii. 6,09,594 (Six Lakh Nine Thousand Five Hundred Ninety-Four) Series A Preference Shares of ₹ 10/- (Rupee Ten Only) each aggregating to ₹ 60,95,940 (Rupees Sixty Lakhs Ninety Five Thousand Nine Hundred Forty Only);

iii. 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);

iv. 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);

v. 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);

vi. 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);

vii. 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);

viii. 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);

ix. 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);

x. 6,00,000 (Six Lakhs) Series D2 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 60,00,000/- (Rupees Sixty Lakhs Only);

xi. 3,00,000 (Three Lakhs) Series D3 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 30,00,000/- (Rupees Thirty Lakhs Only);

xii. 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):

xiii. 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);

xiv. 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);

xv. 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); and

xvi. 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).

xvii. 1,05,00,000 (One Crore Five Lakh) Series H Preference Shares of Re. 1/- (Rupee One only) each aggregating to ₹1,05,00,000/- (Rupees One Crores Five Lakhs Only)."

Further, following corporate actions were undertaken during the year in relation to Authorized Share Capital:

Sl. No	Date of Members Approval	Event
1	21.08.2024	**Increase in Authorized Share Capital:** At the Annual General Meeting held on August 21, 2024, the Company approved an increase in its Authorized Share Capital from ₹ 34,00,00,000 (Rupees Thirty-Four Crores) to ₹ 45,05,00,000 (Rupees Forty-Five Crores Five Lakhs). This increase was on account of creating an additional 1,05,00,000 (One Crore Five Lakhs) Series H Compulsorily Convertible Preference Shares, each with a nominal value of Re. 1 (Rupee One) and 10,00,00,000 (Ten Crore) Equity Shares, each with a nominal value of Re. 1 (Rupee One).

The issued, subscribed and paid-up share capital of the Company as on 31st March, 2025 is ₹ 29,65,58,702/- (Rupees Twenty-Nine Crores Sixty Five Lakhs Fifty Eight Thousand Seven Hundred Two Only) divided into:

i. 3,52,35,000 (Three Crores Fifty Two Lakhs Thirty Five Thousand) Equity Shares of ₹ 1/- (Rupee One) each aggregating to ₹ 3,52,35,000 (Rupees Three Crores Fifty Two Lakhs Thirty Five Thousand);

ii. 6,09,594 (Six Lakhs Nine Thousand Five Hundred and 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 and Forty Only);

iii. 1,86,982 (One Lakhs Eighty-Six Thousand Nine Hundred and 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 and Twenty Only);

iv. 88,624 (Eighty-Eight Thousand Six Hundred and 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 and Forty Only);

v. 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 and Ninety Only);

vi. 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);

vii. 14,17,252 (Fourteen Lakhs Seventeen Thousand Two Hundred and 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 and Twenty Only);

viii. 19,40,933 (Nineteen Lakhs Forty Thousand Nine Hundred and Thirty-Three) Series D Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 1,94,09,330/- (Rupees One Crore Ninety-Four Lakhs Nine Thousand Three Hundred and Thirty Only);

ix. 4,16,865 (Four Lakhs Sixteen Thousand Eight Hundred and Sixty-Five) Series D1 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 41,68,650/- (Rupees Forty-One Lakhs Sixty-Eight Thousand Six Hundred and Fifty Only);

x. 3,59,257 (Three Lakhs Fifty-Nine Thousand Two Hundred and Fifty-Seven) Series D2 Preference Shares of INR10/- (Rupees Ten Only) each aggregating to ₹ 35,92,570/- (Rupees Thirty-Five

Lakhs Ninety-Two Thousand Five Hundred and Seventy Only);

xi. 1,10,754 (One Lakhs Ten Thousand Seven Hundred and Fifty-Four) Series D3 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 11,07,540/- (Rupees Eleven Lakhs Seven Thousand Five Hundred and Forty Only);

xii. 1,69,122 (One Lakhs Sixty-Nine Thousand One Hundred and 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 and Twenty Only);

xiii. 3,95,836 (Three Lakhs Ninety-Five Thousand Eight Hundred and Thirty-Six) Series E2 Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 39,58,360/- (Rupees Thirty-Nine Lakhs Fifty-Eight Thousand Three Hundred Sixty Only);

xiv. 250,658 (Two Lakhs Fifty Thousand Six Hundred Fifty-Eight) Series F Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 25,06,580/- (Rupees Twenty-Five Lakhs Six Thousand Five Hundred Eighty Only).

xv. 1,76,80,565 (One Crores Seventy Six Lakhs Eighty Thousand Five Hundred Sixty Five) Series G Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 17,68,05,650/- (Rupees Seventeen Crores Sixty-Eight Lakhs Five Thousand Six Hundred and Fifty Only).

xvi. 1,03,80,622 (One Crores Three Lakhs Eighty Thousand Six Hundred Twenty Two) Series H Preference Shares of ₹ 1/- (Rupee One Only) each aggregating to ₹ 1,03,80,622 (Rupees One Crores Three Lakhs Eighty Thousand Six Hundred Twenty Two Only).

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

SR. No.	Event
1.	Conversion of 7,292 Series E1 Optionally Convertible Redeemable Preference Shares ("OCRPS") of face value of ₹ 10 (Indian Rupees Ten) of the Company into 72,920 fully paid up Equity Shares of face value of ₹ 1 (Indian Rupee One) of the Company vide Board resolution dated May 17, 2024.
2.	Conversion of 9,84,790 Series G Compulsory Convertible Preference Shares ("CCPS") of face value of ₹ 10 (Indian Rupees Ten) into 9,84,790 fully paid up Equity Shares of face value of ₹ 1 (Indian Rupee One) each vide Board resolution dated July 19, 2024.
3.	Allotment of right issue of 99,41,456 (Ninety Nine Lakhs Forty One Thousand Four Hundred and Fifty Six) Equity Shares of the Company allotted at a price of ₹ 34/- (Indian Rupees Thirty Four only) per share having a face value of ₹ 1/- (Indian Rupee One only) each per Equity Share vide Board resolution dated August 13, 2024.
4.	Allotment of Right issue of 60,391 (Sixty Thousand Three Hundred and Ninety One) Equity Shares of the Company allotted at a price of ₹ 34/- (Indian Rupees Thirty Four only) per share having a face value of ₹ 1/- (Indian Rupee One only) each per Equity Share, vide Board resolution dated August 16, 2024
5.	**Issue and Allotment of Series H Compulsorily Convertible Preference Shares:** The Company has issued and allotted 1,03,80,622 Series H Compulsorily Convertible Preference Shares (CCPS) of ₹ 1/- (Indian Rupee One Only) at a premium of ₹ 577/- (Rupees Five Hundred Seventy Seven Only) to investors of the Series H funding round each through private placement in one or more tranches with the approval of the shareholders at the Annual General Meeting ("AGM") held on August 21, 2024 in one or more tranches, the details are as below:

Sr. No	Date of Allotment	No. of Shares allotted	Amount Per Share (INR)	Premium Per Share (INR)
1	10.09.2024	34,42,899	1	577
2	14.09.2024	62,88,449	1	577
3	20.09.2024	6,49,274	1	577

6. **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 are as below:

Sr. No	Date of Allotment	No. of Shares allotted	Amount Per Share (INR)
1	27.09.2024	1,04,512	1
2	22.01.2025	12,10,172	1
3	06.02.2025	1,85,559	1

7 **Issue and allotment of 13,00,000 Equity Shares on private placement basis:**

The Company has issued and allotted 13,00,000 Equity Shares ("Subscription Shares") of ₹ 1/- (Indian Rupee One only) each at price per Subscription Share of ₹ 578/- each (with a premium of ₹ 577/- each) ("Initial Share Price") aggregating to an amount not exceeding ₹ 75,14,00,000/- (Indian Rupees Seventy Five Crore Fourteen Lakh Only) ("Allotment Money"), on private placement basis to Mr. Gaurav Singh Kushwaha on December 2, 2024.

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 9, 2014. Subsequently, this scheme was amended by the Board on June 23, 2016, July 4, 2016, September 29, 2016, July 11, 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 21, 2024 and on May 02, 2025.

The details are as follows:

(a) Total number of stock options granted in FY 2024-25: 20,56,016

(b) Total number of stock options vested during the year: 9,03,797

(c) Total number of stock options exercised/ modified: 15,08,947

(d) Total number of shares arising as a result of exercise of option: 15,00,243

(e) Total number of stock options lapsed during the year: 50,403

(f) Exercise Price: ₹ 1/-

(g) Variation of terms of options: The scheme has been amended to align with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Sweat Equity) Regulations, 2021, as amended.

(h) Money realized by exercise of options: 15,00,243/-

(i) Total number of options in force as on 31st March, 2025: 35,48,669

(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)	4,07,786
2.	Mr. Sudeep Nagar (COO)	3,11,419
3.	Mr. Rumit Dugar (CFO)	5,47,232
4.	Mr. Harshit Desai	1,58,785
5.	Mr. Mikhil Raj	1,58,785
6.	Mr. Tarun Rajput	1,03,807
7.	Mr. Gaurav Sachdeva *	1,18,519

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

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: NA

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: NA

c) Surrender of ESOP

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

d) Issue of Sweat Equity Share

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 & Transfer Agent (RTA) as on 31st March, 2025.

The Company had granted ESOPs options during the financial year 2024-25. 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 Limited - Employee Stock Option Plan 2014**
b.	Date of shareholders' approval	May 09, 2014
c.	Total number of options approved under ESOS	7,484,330
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 schemes during the year except change in the maximum vesting period from 4 years to 7 years.

(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 INR 512.39 million in the statement of profit and loss for the financial year 2024-25.

(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 period	2,446,853
Options granted	2,056,016
Options forfeited/lapsed	50,403
Options vested	903,797
Options exercised	1,500,243
The total number of shares arising as a result of exercise of option	1,500,243
Money realized by exercise of options	₹ 1,500,243
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	3,548,669
Number of options exercisable at the end of the year	2,376,602

Employee wise details of options granted during the year:

• Senior management	Granted during the financial year 2024-25: Mr. Rumit Dugar - 547,232 Mr. Sudeep Nagar - 311,419 Mr. Vipin Sharma - 407,786 Mr. Harshit Desai - 158,785 Mr. Mikhil Raj - 158,785 Mr. Tarun Rajput - 103,807 Mr. Gaurav Sachdeva - 118,519 (Senior Managerial Personnel w.e.f. July 15, 2025)

• 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 2024-25 (basis only outstanding equity shares): Mr. Rumit Dugar - 547,232 Mr. Vipin Sharma - 407,786 Note: No employee granted ≥1% of issued capital on fully diluted basis (post-Compulsory Convertible Preference Shares - conversion)
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”.	₹ (79.74)
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 – ₹ 540.29
The number and weighted average exercise prices of stock options	
Opening balance	2,446,853
Granted during the year	2,056,016
Exercised during the year	1,500,243
Forfeited during the year	-
Expired during the year	50,403
Closing balance	3,548,669
Exercisable at the end of the year	2,376,602
	The weighted average exercise price is ₹ 1.

i.	the weighted average values of share price,	₹ 540.29
ii.	the weighted average values of exercise price	₹ 1
iii.	expected volatility	41.57%
iv.	expected Option life	4-7 years.
v.	expected dividends	Nil
vi.	risk-free interest rate	6.44%
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.
viii.	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	During the year, the Company was unlisted as at the date of preparation of the financial results for the period ended 31 March 2025. 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.	₹ 315 to ₹ 578

A Certificate obtained from M/s. Kalaivani. S, Company Secretary, Secretarial Auditors of the Company for the financial year 2024-2025 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.

9. DISCLOSURE REGARDING NON-CONVERTIBLE DEBENTURES (NCDS) ISSUED BY THE COMPANY THROUGH PRIVATE PLACEMENT BASIS:

During the year, disclosure regarding Non-Convertible Debentures (NCDS) issued by the Company through private placement basis for the year 2024-2025 are as follows:

Date of Allotment	Particulars	No. of NCDs	Face value of NCD (In INR)	Total Amount
April 6, 2024	Secured, unrated, redeemable, unlisted non-convertible debentures	10,000	1,00,000	100,00,00,000/-
May 29, 2024	Secured, unrated, redeemable, unlisted non-convertible debentures	250	10,00,000	25,00,00,000/-
June 07, 2024	Secured, unrated, redeemable, unlisted non-convertible debentures	2,500	1,00,000	25,00,00,000/-
June 07, 2024	Secured, unrated, redeemable, unlisted non-convertible debentures	500	1,00,000	5,00,00,000/-
June 13, 2024	Secured, unrated, redeemable, unlisted non-convertible debentures	5,000	1,00,000	50,00,00,000/-
June 21, 2024	Secured, unrated, redeemable, unlisted non-convertible debentures	10,000	1,00,000	100,00,00,000/-
August 03, 2024	Secured, unrated, redeemable, unlisted non-convertible debentures	10,000	1,00,000	100,00,00,000/-
Total				**405,00,00,000/-**

10. MATERIAL EVENTS AFTER END OF FINANCIAL YEAR:

The Company has converted all series of the 3,54,74,930 Compulsory Convertible Preference shares ("CCPS") into 100,224,637 Equity shares of the Company on July 04, 2025, in accordance with the terms of issuance and applicable regulatory provisions of the Companies Act, 2013.

The Company has filed Updated Draft Red Herring Prospectus ("UDRHP") with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") for the purpose of Initial Public offer on July 18, 2025.

The Company has filed Red Herring Prospectus ("RHP") with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") for the purpose of Initial Public offer on August 05, 2025.

The Company has filed Prospectus with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") for the purpose of Initial Public offer on August 14, 2025.

A copy of the Red Herring Prospectus and the Prospectus are filed ROC for filing, in accordance with Section 26(4) and 32 of the Companies Act, 2013.

The Company received Listing and Trading Approval from BSE Limited and National Stock Exchange Limited on August 18, 2025.

The Company successfully completed its Initial Public Offering (IPO) and, in August 14, 2025, which involved a fresh issue of 15,860,735 Equity Shares of face value of ₹ 1 each an offer for sale of 13,939,063 Equity Shares of face value of ₹ 1 each.

Subsequent to the IPO, the Equity Shares of the Company were listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from August 19, 2025.

Pursuant to the IPO, the paid-up share capital of the Company increased to ₹ 15,13,20,372/- comprising ₹ 15,13,20,372 equity shares of ₹1/- each.

This Annual Report is re adopted and re approved at the Board meeting held on September 04, 2025 post listing with a view to present the Annual Report to the shareholders of the Company to provide full disclosures and transparent information even though the shares of the Company were not listed as on 31st March 2025. The information which was not applicable to the Company being unlisted during the financial year has been mentioned accordingly. Directors have tried to maintain coherence in disclosures and flow of the information by clubbing required information topic-wise and thus certain information which is required in Directors' Report is clubbed elsewhere and has to be read as a part of Directors' Report.

11. 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 2024-2025. 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.

12. 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, 2025 is summarized as below:

(Amount in ₹ million)

Particulars	Year ended 31st March, 2025
Revenue from operation	0
Other Income	1.15
Total Income	1.15
Less: Employees Benefit Expenses	3.59
Finance costs	0.03
Depreciation And Amortization Expenses	0.14
Other Expenses	4.24
Total Expenses	**8.00**
Profit / (Loss) before Tax	**(6.85)**
Less: Current Tax	-
Deferred Tax	-
Profit/ (Loss) after Tax	**(6.85)**

Redefine Fashion Private Limited:

The performance of the Company for the financial year ended 31st March, 2025 is summarized as below:

(Amount in ₹ million)

Particulars	Year ended 31st March, 2025
Revenue from Operations	0.00
Other Income	1.62
Total Income	**1.62**

Particulars	Year ended 31st March, 2025
Less: Cost of materials consumed	
Finance costs	1.12
Employee Benefit	21.37
Depreciation and amortization expense	3.09
Other Expenses	14.02
Total Expenses	**39.60**
Net Profit/(Loss) before tax	**(37.98)**
Less: Provision for Tax	
Current Tax	0.00
Deferred tax	0.00
Net Profit/(Loss) after Tax	**(37.98)**

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.

13.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. Vikram Gupta***	03358337	Nominee Director
8.	Mr. Rumit Dugar	-	Chief Financial Officer
9.	Ms. Jasmeet Kaur Saluja^	-	Company Secretary and Compliance Officer
10.	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:

* Mr. Rohit Bhasin, Mr. Rajesh Kumar Dahiya, Ms. Neha, was appointed as an Additional Independent Directors of the Company w.e.f. August 16, 2024, further there appointment as Independent Directors were regularized at the members meeting held on August 21, 2024.

** The members of the Company at their meeting held on August 21, 2024, approved the reappointment of Mr. Gaurav Singh Kushwaha, Managing Director of the company for a period of three years with effect from July 21, 2025 and ending on July 20, 2028.

*** Mr. Vikram Gupta resigned from the directorship of the Company with effect from November 27, 2024.

**** Mr. Prashanth Prakash and Mr. Sameer Dileep Nath were re-appointed as Non-Executive directors, liable to retire by rotation which was approved by the members of the Company at their meeting held on November 30, 2024.

^ Ms. Jasmeet Kaur Saluja resigned from the post of Company Secretary and Compliance Officer with effect from April 30, 2025.

& Mr. Paras Shah has been appointed as the Company Secretary and Compliance Officer with effect from July 15, 2025.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Prashanth Prakash is retiring by rotation at the forthcoming Annual General Meeting and being eligible, he has been recommended for re-appointment by the Board.

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

A detailed note on the composition of the Board and its Committees, including its terms of reference, number of committee meetings held during the FY 2024-25, 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.

14. 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 April 1, 2024, to March 31, 2025, the Board met 17 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.	19.04.2024	4	4
2.	17.05.2024	4	4
3.	27.05.2024	4	4
4.	04.06.2024	4	4
5.	10.06.2024	4	4
6.	17.06.2024	4	4
7.	12.07.2024	4	4
8.	17.07.2024	4	4
9.	19.07.2024	4	4
10.	01.08.2024	4	4
11.	03.08.2024	4	4
12.	13.08.2024	4	4
13.	16.08.2024	4	4
14.	27.09.2024	7	7
15.	27.11.2024	6	6
16.	10.12.2024	6	6
17.	06.02.2025	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 period under review is as follows:

Director	Board meetings during period 2024-25	
	Entitled to attend	Attended
Mr. Prashanth Prakash	17	17
Mr. Gaurav Singh Kushwaha	17	17
Mr. Sameer Dileep Nath	17	17
Mr. Vikram Gupta	14	14
Mr. Rohit Bhasin	4	4
Mr. Rajesh Kumar Dahiya	4	4
Ms. Neha	4	4

Further, the Shareholders have met on the following dates during Financial Year 2024-25:

SR. No.	Date	Type of General Meeting
1.	30.11.2024	Extra-ordinary General Meeting
2.	21.08.2024	Annual General Meeting

Committee Meetings:

SR. No.	Date	Type of General Meeting
1	04.06.2024	Compensation Committee Meting
2	01.08.2024	Compensation Committee Meting
3	27.09.2024	Compensation Committee Meting
4	27.11.2024	NRC Meeting
5	11.12.2024	IPO Committee Meting
6	10.12.2024	Audit Committee Meeting
7	11.03.2025	Audit Committee Meeting
8	18.03.2025	Operation Committee Meeting
9	26.03.2025	Operation Committee Meeting
10	11.03.2025	Independent Director Meeting

15. 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 policy. The composition of the Audit committee is as follows:

1. Rohit Bhasin, Independent Director (Chairperson);
2. Rajesh Kumar 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 XI** - Details of Establishment of Vigil Mechanism for Directors and Employees of the"Corporate Governance Report" annexed to the Directors'Report as **Annexure 5**.

16. 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.

17. 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 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**.

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

During the year under review the Board of Directors evaluated their performance, that of committee, the Board as a whole and its and individual directors along with performance of growth of the Company periodically and in compliance with provision of the Companies Act, 2013.

The Company has a policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which includes criteria for performance evaluation of Non-Executive Directors and Executive Directors.

The skills identified by the Board are mentioned below and the same were considered for mapping the Board Evaluation:

1. Finance & Accounting
2. Governance and Risk Management
3. Human Capital
4. Strategic Direction
5. Mergers and Acquisitions
6. Tech and Digital
7. Capital Markets.
8. Innovation

The Independent Directors at their separate meeting carried out the annual performance evaluation of the (a) Non-Independent Directors in accordance with its evaluation parameters, (b) the Board as a whole, in accordance with its evaluation parameters, and (c) the Chairman of the Company taking into account the views of executive directors and non-executive directors, and the evaluation parameters .

19. 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, 2025 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.

20. 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 Kumar 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 -> Company 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.

21. CYBER SECURITY:

The Company acknowledges cyber security as a strategic priority and an essential element of its enterprise risk management. With the growing reliance on digital systems and data-driven operations, safeguarding information assets, protecting customer and stakeholder data, and ensuring business continuity have become integral to the Company's governance practices.

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.

22. 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 years.

As required under the provisions of the Section 139(1) of the Companies Act, 2013, the Company has received a certificate from M/s. M S K A & Associates, Chartered Accountants that they are eligible to hold office as the Statutory Auditors of the Company and are not disqualified and that they would be in conformity with the limits specified in the Section.

The Company has received peer review certificate and eligibility cum consent letter from M/s. M S K A & Associates (ICAI Firm Registration No. 105047W), Chartered Accountants confirming their eligibility when appointed as statutory auditors.

23. OBSERVATIONS OF THE STATUTORY AUDITOR'S ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2025:

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 March 31, 2025, are self-explanatory and are detailed in the financial statements for that year.

24. 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).

25. INTERNAL AUDITOR:

Pursuant to the provisions of section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Board has appointed M/s. Nexdigm Private Limited, as the Company's Internal Auditors. The internal auditors submit their reports to the Board for review and consideration.

Based on these internal audit reports, management takes corrective actions in the respective areas to strengthen controls and enhance operational efficiency.

26. SECRETARIAL AUDIT REPORT:

In accordance with Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mrs. Kalaivani S, Practicing Company Secretary from Bangalore, was appointed to conduct the secretarial audit for the financial year 2024-25. The secretarial auditor reported no qualifications, reservations, adverse remarks or disclaimers in her report for the period under review. The secretarial audit report given by Mrs. Kalaivani S, Practicing Company Secretary is attached for reference as **"Annexure - 3"**.

As per the recent amendment under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Appointment of Secretarial Auditor, M/s Mihen Halani & Associates had given their consent to act as Secretarial Auditors, accordingly, the Board in the meeting held on September 04, 2025 recommended their appointment for a term of five years, which is subject to approval of the members.

27. 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.

28. 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.

29. 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 orders have been passed by the regulators/courts/tribunals impacting the going concern status and the Company's operations in future.

30. A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:

The Board of Directors, having reviewed the qualifications, background, and professional track record of the independent directors appointed during the year, is of the opinion that they possess the highest standards of integrity, as well as the requisite expertise, experience, and proficiency to effectively discharge their responsibilities. The Board believes that their appointment will contribute positively to the governance and strategic direction of the Company.

31. 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. 37 of the Standalone financial statements.

32. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The transactions, contracts, and arrangements entered into by the Company with related parties, as defined under Section 2(76) of the Companies Act, 2013, during the financial year under review were conducted in the ordinary course of business and on an arm's length basis. Therefore, reporting in Form AOC-2 is not required for these related party transactions.

Details of related party transactions entered in to by the Company, in terms of Ind AS-24 have also been disclosed in the Note No. 37 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/plcs/Bluestone_RPT_Policy_v1.pdf

33. 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-FY2024-25.pdf

34. 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 ₹ 3,25,337/-

Sr. No.	Name of the Director/ KMP	Designation	% increase in Remuneration in the Financial Year 2024-25	Ratio of Remuneration of each Director to median remuneration of employees for the Financial Year 2024-25
1	Mr. Gaurav Singh Kushwaha*	Chairman and Managing Director	41	88:1
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	N.A.
5	Mr. Rajesh Kumar Dahiya^	Independent Director	NIL	N.A.
6	Ms. Neha^	Independent Director	NIL	N.A.
7	Mr. Rumit Dugar	Chief Financial Officer	NIL	N.A.
8	Ms. Jasmeet Kaur Saluja%	Company Secretary	NIL	N.A.

* The members of the Company at their meeting held on August 21, 2024, approved the reappointment of Mr. Gaurav Singh Kushwaha, Managing Director of the company for a period of three years with effect from July 21, 2025 and ending on July 20, 2028.

** Mr. Prashanth Prakash and Mr. Sameer Dileep Nath were re-appointed as Non-Executive directors, liable to retire by rotation which was approved by the members of the Company at their meeting held on November 30, 2024.

^ Mr. Rohit Bhasin, Mr. Rajesh Kumar Dahiya, Ms. Neha, was appointed as an Additional Independent Directors of the Company w.e.f. August 16, 2024, further there appointment as Independent Directors were regularized at the members meeting held on August 21, 2024.

% Ms. Jasmeet Kaur Saluja was appointed as Company Secretary from March 19, 2024 and resigned as Company Secretary and Compliance Officer with effect from April 30, 2025.

ii) The percentage increase/(decrease) in the median remuneration of employees in the financial year ending 31st March, 2025: 7%

iii) The Number of permanent employees on the rolls of the Company: 1943

Number of employees as on the closure of the financial year i.e. March 31, 2025 (Male, female, Transgender):

Male: 1274; Female: 669; 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 10.1 %. Change in the remuneration of the KMP increase by 8 % excluding perquisites from employee stock option scheme.

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 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

35. SHAREHOLDING OF THE DIRECTORS OF THE COMPANY AS ON MARCH 31, 2025.

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.

36. CORPORATE GOVERNANCE CERTIFICATE.

The Compliance certificate obtained from M/s. Parth Joshi & Co, 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.

37. 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.

38. 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 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 Kumar 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 -> Company Policies” https://kinclimg1.bluestone.com/static/ir/plcs/Bluestone_CSR_Policy.pdf

39. 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 March 31, 2025 is Nil.

40. 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.

41. 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.

42. 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 April 01, 2024 - NIL
b. number of complaints filed during the FY 2024-25 - 3
c. number of complaints disposed of during the FY 2024-25 - 3
d. number of complaints pending as on March 31, 2025 - 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.

43. COMPLIANCE OF THE MATERNITY BENEFIT ACT 1961:

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

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

(A) Conservation of Energy

Steps taken/impact on conservation of energy,	As the Company is not classified as an energy-intensive industry, the particulars required under Section 134(3)(m) read with Sub-rule 3 of Rule 8 of the Companies (Accounts) Rules, 2014, are not included in this Board of Directors' Report. Nevertheless, the Company is committed to conserving and minimizing energy usage wherever possible.
(i) Steps taken by the company for utilizing alternate sources of energy including waste generated	Not Applicable
(ii) Capital investment on energy conservation equipment	Not Applicable
Total energy consumption and energy consumption per unit of production as per Form A	Not Applicable

(B) Technology Absorption and Research and Development

Efforts in brief, made towards technology absorption, adaptation and innovation	Not Applicable
Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.	Not Applicable
In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:	
Details of Technology imported	Not Applicable
Year of Import	Not Applicable
Whether the technology been fully absorbed	Not Applicable
If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	Not Applicable
Expenditure incurred on Research and Development	NIL

(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 ₹ 53.61 millions.

45. 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.

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 Directors.

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/plcs/Bluestone_Policy_on_familiarisation_programmes_for_independent_directors.pdf

46. 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 and Chief Executive Officer 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 FY 2024-25."

Sd/-
Mr. Gaurav Singh Kushwaha
Managing Director and Chief Executive Officer
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.

47. 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 provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1), (ii) Secretarial Standard on General Meetings (SS-2), (iii) Secretarial Standards on Dividend (SS-3) and Secretarial Standard on Report of the Board of Directors (SS-4), as issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

48. GENERAL DISCLOSURE:

During the year under report the following events has taken place:

- The Company has been converted from the Private Limited Company to Public Limited Company vide letter from ROC, Central Processing Centre dated 8th November, 2024.
- The main object of the Company has been changed in order to expand the Company's present scope of operation and to avail the opportunities at various levels as per the special resolution passed by the members at the Annual General Meeting held on August 21, 2024.
- The Company has filed Draft Red Herring Prospectus ("DRHP") on December 11, 2024 with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") for the purpose of Initial Public offer.
- The Equity Shares offered through the Draft Red Herring Prospectus were proposed to be listed on the Stock Exchanges. The Company had received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters each dated February 24, 2025.
- The Company has completed all the compliance requirements including the appointments of various intermediaries, the appointment of KMP's, SMP's, Independent Directors, formation of various committees and policies etc.
- The application for change in the Company's Corporate Identification Number (CIN) has been duly filed with the Registrar of Companies and is currently under process.
- 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.
- 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.

49. 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. The Company was not classified among the top 1,000 listed entities as of December 31, 2024 as it was not listed at the time.

50. 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.

51. 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 loss 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. 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.

52. 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 Suppliers.

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)

Sameer Dilip Nath	**Gaurav Singh Kushwaha**
Director	Managing Director
DIN:07551506	DIN:01674879
Place: Mumbai	**Place:** Bangalore
Date: 04th September, 2025	**Date:** 04th September, 2025

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.
  - 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.
  - 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 ₹)

(Amount in ₹)

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 January 13, 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	21 August 2024
6.		To	31 March 2025
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: ₹ 20,00,000/- Paid up Capital: ₹ 8,16,670/-
10.	Reserves & surplus		16,05,18,705.82
11.	Total assets		16,40,22,112.77
12.	Total Liabilities		26,86,736.95
13.	Investments		-
14.	Turnover		-
15.	Loss before taxation		68,46,532.18
16.	Provision for taxation		-
17.	Loss after taxation		68,46,532.18
18.	Proposed Dividend		-
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 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 subsidiaries 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

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 ₹)

Name of Associates/~~Joint Ventures~~		Redefine Fashion Private Limited
1.	Latest audited Balance Sheet Date	March 31, 2025
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 November 15, 2024
3.	Date on which the Associate or Joint Venture was associated or acquired	November 11, 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; 1,57,070 CCPS - Seed 1 and 13,456 CCPS - Seed 1A
	B. Amount of Investment in Associates/~~Joint Venture~~	INR 10,49,99,827.88/-
	C. Extent of Holding (in percentage)	51.19% 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	7,98,92,330.44
8.	Loss for the year	
	i. Considered in Consolidation	1,94,42,954.78
	ii. Not Considered in Consolidation	1,85,36,664.73

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)

Sameer Dilip Nath
Director
DIN:07551506

Place: Mumbai
Date: 04th September, 2025

Gaurav Singh Kushwaha
Managing Director
DIN:01674879

Place: Bangalore
Date: 04th September, 2025

Annexure -3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31.03.2025

[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)

I 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 bearing CIN: U72900KA2011PLC059678 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2025 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2025 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 and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

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;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

During the period under review, the Company was a 'to be listed company' and was in the process of undertaking its initial public offer ('IPO'); therefore, only those provisions of the Securities and Exchange Board of India Act, 1992 and the regulations framed thereunder that are specifically applicable to a company proposed to be listed were applicable to the Company as on the date of this Report.

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

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

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

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

e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

h. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

VI. The other general laws as may be applicable to the Company including the following:

Employer/Employee Related Laws & Rules:

- Industries (Development & Regulation) Act, 1951
- The Factories Act, 1948
- The Apprentices Act, 1961
- The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- The Employees' State Insurance Act, 1948
- Employee's Compensation Act, 1923
- The Maternity Benefit Act, 1961
- The Payment of Gratuity Act, 1972
- The Payment of Bonus Act, 1965
- The Industrial Disputes Act, 1947
- The Trade Unions Act, 1926
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986
- The Contract Labour (Regulation & Abolition) Act, 1970
- The Industrial Employment (Standing Orders) Act, 1946
- Equal Remuneration Act, 1976
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013
- Rights of Persons with Disabilities Act, 2016.
- The State Specific Industrial Establishments (National and Festival Holidays) Act
- The State Specific Labour Welfare Fund Act
- The State Specific Shops & Commercial Establishment Act
- For majority of Central Labour Laws the State has introduced Rules [names of each of the Rules is not included here]

I. I have also examined compliances with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS – 2.

II. The Listing Agreements entered into by the Company with the Stock Exchange(s), if applicable - **The Company is an Unlisted Public Limited Company as on the date of this report and hence not applicable**.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above and filings of the returns were undertaken in time or within the extended time limits. Further, certain non-material findings made during the course of the audit relating to the provisions of Companies Act, secretarial standards and Labour Laws were addressed suitably by the Management.

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, wherever possible and few Meetings were held at shorter notices with the consents from all the Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As represented by the Company, all decisions at the meeting of the Board of Directors are carried out as recorded in the Minutes of the respective meetings and no dissenting views were required to be recorded.

I 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.

I further report that during the audit period the Company has:

a) Issued and allotted shares on rights basis in compliance with the provisions of the Companies Act, 2013 and rules made thereunder;

b) Issued and allotted shares and debentures on private placement basis/ preferential issue in compliance with the provisions of the Companies Act, 2013 and rules made thereunder;

c) Status of the Company Converted from Private to Unlisted Public Company;

d) Filed Draft Red Herring Prospectus (**"DRHP"**) with Securities and Exchange Board of India (**"SEBI"**), BSE Limited (**"BSE"**) and National Stock Exchange of India Limited (**"NSE"**).

Place: Bangalore
Date: April 24, 2025

Kalaivani S
Practising Company Secretary
ACS No.: 57112 C P No.: 22158
UDIN: A057112G000192808
Peer Review Certificate No.: 2860/2022

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

'ANNEXURE'

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test-check basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices I have followed, provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including records under the Income Tax Act, the Customs Act, and the Goods and Services Tax Act.

4. Wherever required, the Company has represented about the compliance of laws, rules and regulations and happening of events etc. as applicable from time to time.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures on test-check 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.

Place: Bangalore
Date: April 24, 2025

Kalaivani S
Practising Company Secretary
ACS No.: 57112 C P No.: 22158
UDIN: A057112G000192808
Peer Review Certificate No.: 2860/2022

Annexure -4

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE FINANCIAL YEAR 2024-25

1. Brief outline on CSR Policy of the Company:

   The Company aims at spending a defined portion of its net profit 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:

Sl. 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	0	0
2.	Mr. Rohit Bhasin	Independent Director & Member	0	0
3.	Mr. Prashanth Prakash	Non-Executive Director & Member	0	0

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 –

Sl. 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

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

Rajesh Kumar Dahiya
Director & Chairman of CSR Committee
DIN: 07508488

Place: Chandigarh
Date: September 04, 2025

Gaurav Singh Kushwaha
Managing Director
DIN:01674879

Place: Bangalore
Date: September 04, 2025

Annexure - 5

CORPORATE GOVERNANCE REPORT

The Company successfully completed its Initial Public Offering (IPO), which involved a fresh issue of 15,860,735 Equity Shares of face value of ₹ 1 each and there was an offer for sale of 13,939,063 Equity Shares of face value of ₹ 1 each.

Subsequent to the IPO, the Equity Shares of the Company were listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from August 19, 2025.

Pursuant to the IPO, the paid-up share capital of the Company increased to ₹ 15,13,20,372 comprising ₹ 15,13,20,372 equity shares of ₹1/- each.

This Annual Report is re adopted and re approved at the Board meeting held on 04 September, 2025 post listing with a view to present the Annual Report to the shareholders of the Company to provide full disclosures and transparent information even though the shares of the Company were not listed as on 31st March 2025. The information which was not applicable to the Company being unlisted during the financial year has been mentioned accordingly. Directors have tried to maintain coherence in disclosures and flow of the information by clubbing required information topic-wise and thus certain information which is required in Directors' Report is clubbed elsewhere and has to be read as a part of Directors' Report.

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the report contains the details of Corporate Governance systems and processes followed at the Company.

I. PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company's philosophy on corporate governance is rooted in a commitment to ethical conduct, transparency, and accountability. We believe that strong governance practices are essential for sustainable growth, protecting stakeholder interests, and fostering long-term trust. 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

We believe Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed in this Report.

II. BOARD OF DIRECTORS:

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 March 31, 2025 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
7.	Mr. Vikram Gupta*	03358337	Nominee Director

* Ceased as Nominee Director w.e.f. November 27, 2024

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 (w.e.f. November 27, 2024).

During the year under review, the following changes took place:

1. Mr. Rohit Bhasin, Mr. Rajesh Kumar Dahiya, Ms. Neha, was appointed as an Additional Independent Directors of the Company w.e.f. August 16, 2024, further there appointment as Independent Directors were regularized at the members meeting held on August 21, 2024.

2. The members of the Company at their meeting held on August 21, 2024, approved the reappointment of Mr. Gaurav Singh Kushwaha, Managing Director of the company for a period of three years with effect from July 21, 2025 and ending on July 20, 2028.

3. Mr. Vikram Gupta resigned from the directorship of the Company with effect from November 27, 2024.

4. Mr. Prashanth Prakash and Mr. Sameer Dileep Nath were re-appointed as Non-Executive directors, liable to retire by rotation which was approved by the members of the Company at their meeting held on November 30, 2024.

Please note that following with respect to the Directors of your Company:

1. None of the Directors hold directorship in more than seven listed Companies.

2. None of the Independent Directors serve as an Independent Director in more than seven listed companies.

3. In compliance with the limit on Independent Directorship of listed Companies as prescribed under Regulations 17A of the Listing Regulations.

4. Confirm that the Independent Directors fulfill the conditions specified in these regulations and that they are Independent of the Management.

5. On the basis of declarations received from each Independent Director, your Board is of the opinion that Independent Directors meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations and are independent of the Management.

The Board during the year met 17 (Seventeen) 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.	19.04.2024	4	4
2.	17.05.2024	4	4
3.	27.05.2024	4	4
4.	04.06.2024	4	4
5.	10.06.2024	4	4
6.	17.06.2024	4	4
7.	12.07.2024	4	4
8.	17.07.2024	4	4
9.	19.07.2024	4	4
10.	01.08.2024	4	4
11.	03.08.2024	4	4
12.	13.08.2024	4	4
13.	16.08.2024	4	4
14.	27.09.2024	7	7
15.	27.11.2024	6	6
16.	10.12.2024	6	6
17.	06.02.2025	6	6

The Board was provided with comprehensive agenda materials well in advance 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 March 31, 2025 are given below:

A. Composition, Category of Directors and their other directorship as on March 31, 2025

Name of the Director and DIN	Category	No. of Board Meetings attended during the year 2024-2025	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 Company	Chairman	Member		
Mr. Prashanth Prakash (DIN: 00041560)	Non-Executive Director	17/17	Yes	1	10	27	-	1	NIL	-
Mr. Gaurav Singh Kushwaha (DIN: 01674879)	Chairman and Managing Director	17/17	Yes	-	2	-	-	-	NIL	-
Mr. Sameer Dileep Nath (DIN: 07551506)	Non- Executive Director	17/17	Yes	1	2	1	-	1	NIL	-
Mr. Rohit Bhasin (DIN: 02478962)	Independent Director	4/4	No	5	3	1	4	5	· 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	4/4	No	1	-	-	-	1	NIL	-
Mr. Rajesh Kumar Dahiya (DIN: 07508488)	Independent Director	4/4	No	1	2	1	-	1	NIL	-
Mr. Vikram Gupta* (DIN: 03358337)	Nominee Director	14/14	Yes	-	-	-	-	-	-	-

* Ceased to be Director due to resignation w.e.f. November 27, 2024 and hence detail of other directorship and Committee membership are not given.

% 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 2024–25, 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. Gaurav Singh Kushwaha
(DIN: 01674879)

Mr. Sameer Dileep Nath
(DIN: 07551506)

Mr. Rohit Bhasin
(DIN: 02478962)

Ms. Neha
(DIN: 06380757)

Mr. Rajesh Kumar Dahiya
(DIN: 07508488)

Name of Director and DIN	Finance & Accounting	Governance and Risk Management	Human Capital	Strategic Direction	Mergers and Acquisitions	Tech and Digital	Capital Markets	Innovation
Mr. Prashanth Prakash (DIN: 00041560)	No	Yes	Yes	Yes	Yes	Yes	No	Yes
Mr. Gaurav Singh Kushwaha (DIN: 01674879)	No	No	Yes	Yes	No	Yes	No	Yes
Mr. Sameer Dileep Nath (DIN: 07551506)	Yes	Yes	Yes	Yes	Yes	No	Yes	No
Mr. Rohit Bhasin (DIN: 02478962)	Yes	Yes	Yes	Yes	Yes	No	Yes	No
Ms. Neha (DIN: 06380757)	No	No	Yes	Yes	Yes	Yes	No	Yes
Mr. Rajesh Kumar Dahiya (DIN: 07508488)	Yes	Yes	Yes	Yes	No	No	Yes	No

Yes ● No ●

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 fulfil 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 2025 are as below:

Name of the Director and DIN	Number of Shares and Convertible Instruments held on 31st March, 2025
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
Mr. Vikram Gupta* (DIN: 03358337)	-

*Ceased to be Director due to resignation w.e.f. November 27, 2024.

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

in compliance with applicable statutory requirements, the Board has constituted various committees to ensure focused oversight and effective governance. The terms of reference of these committees are approved by the Board and are periodically reviewed to ensure continued relevance and alignment with the Company's evolving business needs and regulatory framework.

III. AUDIT COMMITTEE

The Audit Committee was constituted by a resolution of our Board dated September 27, 2024.The Audit Committee meets the criteria laid down under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations.

Composition:

During the review period and in accordance with the provisions of Section 177 of the Companies Act, 2013, along with Rule 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 policy. The composition of the Audit committee is as follows:

Name of the Member	Member/ Chairman	Number of Meetings Attended
Mr. Rohit Bhasin - Independent Director	Chairman	2/2
Mr. Rajesh Kumar Dahiya - Independent Director	Member	2/2
Mr. Sameer Dileep Nath – Non- Executive Director	Member	1/2

During the financial year under review, the Audit Committee met 2 (Two) times on 10.12.2024 and 11.03.2025.

The Audit Committee is comprised entirely of Independent Directors and Non Executive 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.

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 transactions; 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 transactions, which shall include materiality of related party transactions;

(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 ₹1,000,000,000 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;

(25) 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

(26) 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 was constituted pursuant to a resolution passed by the Board on September 27, 2024.The Nomination and Remuneration Committee (NRC') of the Board of Directors met on 27.11.2024 and is constituted as per the provisions under Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

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	1/1
Ms. Neha – Independent Director	Member	1/1
Mr. Prashanth Prakash – Non Executive Director	Member	1/1

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 directors 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 personnel and 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

Remuneration of Directors is as per the terms and conditions mentioned in the employment agreement/terms and conditions of appointment as approved by the Board and the Shareholders in the Annual General Meeting.

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 meetings and commission on profit. 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 **"15 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 FY24-25 are as under:

(i) Executive Director

(Amount in Rupees)

Name	Mr. Gaurav Singh Kushwaha
Designation	Chairman and Managing Director
Salary & Allowance including perquisites and variable pay and Bonus	₹ 3,08,30,167
Perquisites related to ESOP	NIL
Commission	NIL
Service Contract/Tenure	3 years
Performance linked incentives along with Performace Criteria	NIL
Notice Period (in months)	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 Kumar Dahiya*
Designation	Director	Director	Director	Director	Director
Salary & Allowance including perquisites and variable pay and Bonus	NIL	NIL	Rs. 22,50,000	Rs. 22,50,000	Rs. 22,50,000
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 Performace Criteria	NIL	NIL	NIL	NIL	NIL
Notice Period (in months)	NIL	NIL	NIL	NIL	NIL
Severance Fees	NIL	NIL	NIL	NIL	NIL
Stock Options	Has not been granted any stock options as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021				
Pension	NIL	NIL	NIL	NIL	NIL

*Mr. Rohit Bhasin, Mr. Rajesh Kumar Dahiya, Ms. Neha, was appointed as an Additional Independent Directors of the Company w.e.f. August 16, 2024, further there appointment as Independent Directors were regularized at the members meeting held on August 21, 2024.

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 payable 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*	5,00,000
4.	Ms. Neha*	4,50,000
5.	Mr. Rajesh Kumar Dahiya*	5,50,000
	Total	**15,00,000**

The Remuneration payable to the Non-Executive Directors are as follows :

(Amount in Rupees)

Sr. No.	Name of the Director	Remuneration
1.	Mr. Prashanth Prakash	NIL
2.	Mr. Sameer Dileep Nath	NIL
3.	Mr. Rohit Bhasin*	17,00,000
4.	Ms. Neha *	17,50,000
5.	Mr. Rajesh Kumar Dahiya*	18,00,000
	Total	**52,50,000**

*Mr. Rohit Bhasin, Mr. Rajesh Kumar Dahiya, Ms. Neha, were appointed as Additional Independent Directors of the Company w.e.f. August 16, 2024, further their appointment as Independent Directors was regularized at the annual general meeting held on August 21, 2024.

The above mentioned sitting fee paid / payable to the non-executive directors was within the limits prescribed under the Companies Act, 2013 for payment of sitting fees.

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. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee ('SRC') was constituted by a resolution of our Board dated September 27, 2024. The SRC meets the criteria laid down under 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.

Meeting and attendance during the year: NIL

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.

Compliance officer:

Ms. Jasmeet Kaur Saluja resigned from the post of Company Secretary and Compliance Officer with effect from April 30, 2025. Further, Mr. Paras Shah has been appointed as the Company Secretary and Compliance Officer with effect from July 15, 2025.

Number of investor complaints

During the year 2024-25, no complaints were received from shareholders and investors.

i. number of complaints not solved to the satisfaction of shareholders; -N/A

ii. number of pending complaints – N/A

VI. RISK MANAGEMENT COMMITTEE

The Risk Management Committee was constituted by a resolution of our Board dated September 27, 2024. The Risk Management Committee (**'RMC'**) of the Board of Directors meets the criteria laid down under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Meeting and attendance during the year : NIL

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.

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) 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. CORPORATE SOCIAL RESPONSIBILTY (CSR) COMMITTEE:

The CSR Committee was constituted by a resolution of our Board dated September 27, 2024. The Corporate Social Responsibility ('CSR') Committee of the Board of Directors meets the criteria laid down under Section 135 of the Companies Act, 2013.

Composition:

The 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

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 (a);

(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) 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

(6) 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. OPERATION COMMITTEE

The Operation Committee has been constituted by the Board of Directors on 06th February, 2025 for smooth functioning of the day-to-day operation of the Company.

Composition:

Name of the Members	Designation
Mr.Gaurav Singh Kushwaha	Managing Director – Chairman
Mr. Sameer Dileep Nath	Non-Executive Director – Member
Mr. Rumit Dugar	Chief Financial Officer - Member

During the financial year under review, there were Two (2) meetings of the Operation Committee held on 18th March, 2025 and 26th March, 2025.

Roles and Responsibility:

1. Authorizing certain Executives/officers of the Company with respect to various matters pertaining to dealing with statutory/local authorities and other statutory matters of the Company.

2. Authorizing certain Executives/officers of the Company to execute and sign all applications, documents, declarations, challans, TDS Certificates, statutory forms and affidavits, including applying for any registration, permits, licenses, renewals, refunds and file returns for the purpose of Income Tax, GST Customs, professional Tax, Commercial Tax and to represent the Company generally in connection with all matters relating to direct and indirect taxation and for other statutory compliances.

3. Authorizing certain Executives/officers of the Company for obtaining Telephone Lines/Mobile services on behalf of the Company.

4. Authorizing certain Executives/officers of the Company for giving Legal Notices to overdue debtor and to take all further actions and represent the Company in legal proceedings against the debtors.

5. Authorizing certain Executives/officers of the Company for availing various licenses under different laws applicable from time to time and to represent the company for compliance of the same.

6. Authorizing certain Executives/officers of the Company for entering into lease agreement, Leave and License Agreement, Confidentiality Agreement, Multi- Confidentiality, Non-Disclosure Agreement or any other agreement on behalf of the Company.

7. to apply, sign and execute sanction letter, documents, agreements and deeds and all such deeds and documents for borrowings from banks, financials institution or lending authorities within the limits approved by the Board/ shareholders, as the case may be.

8. to apply, sign and execute sanction letter, documents, agreements and deeds and all such deeds and documents for gold metal loan from banks.

9. Authorizing certain Executives/officers of the Company to attend the ongoing court cases and to represent the Company in India and outside India in all Courts, Civil or Criminal, Trademark Authorities whether Original or Appellate Tribunals, judicial or quasi-judicial authorities, Conciliation Officers, Police Station and before any other Government authority, Central or State, or any other local or Public body for all legal proceedings initiated by or against the Company as may be necessary or expedient and to negotiate, compromise or settle the matter and to give, sign and issue Notices, file Suits, Affidavits, Vakalatnama, Plaints, Petitions, Complaints, Consent terms, Appeals, Trademark Application and Oppositions as may be required under any act for the time being in force, and any other related papers or documents on behalf of the Company as may be required for the aforesaid purposes from time to time or to withdraw the proceedings as may be required and to give evidence on behalf of the Company in the best interest of the Company;

10. Any other operational matters, as the case may be.

Reporting:

The power exercised by the operation committee will be noted by the board members at the subsequent board meetings.

IX. IPO COMMITTEE

The IPO Committee was constituted by the Board of Directors during the period under review to ensure the Initial Public offer compliances complied by the Company as the Company was in the process of listing its equity shares on both the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited and got its shares listed with effect from August 19, 2025 . The IPO Committee consisted of Mr. Gaurav Singh Kushwaha, Chairman and Managing Director and Mr. Sameer Dileep Nath Directors. During the financial year under review, there was one meeting of the IPO Committee held December 11, 2024.

X. INDEPENDENT DIRECTORS MEETING:

In accordance with the provisions of Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held once during the financial year 2024–25, without the presence of Non-Independent Directors or members of the management. The Independent Directors reviewed the performance of the Board, Committees, and management, and provided their observations. All inputs and suggestions provided during the meeting were duly considered and appropriately incorporated by the Board in its functioning.

XI. DETAILS OF ESTABLISHMENT OF WHISTLE BLOWER POLICY/ VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES.

The Company has adopted a Whistle Blower Policy/ Vigil Mechanism and has established the necessary mechanism for directors/employees to report concerns about unethical behavior. The Policy has been uploaded on website of the Company 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

XII. 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.

XIII. 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.

XIV. 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

XV. 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 20_"Risk Management policy" to the Directors Report.

XVI. A. GENERAL BODY MEETINGS

The details of Annual General Meetings held, and the special resolutions passed in the last three years are given hereunder:

1) At the 13th Annual General Meeting held on Wednesday, August 21, 2024 at 12:30 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:

- 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.

2) In addition to the above at the Extra Ordinary General Meeting held on Saturday, November 30, 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.

3) At the 12th Annual General Meeting held on Saturday, September 30, 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.

4) In addition to the above at the Extra Ordinary General Meeting held on Tuesday, April 11, 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 (FY) 2023-24 Through Private Placement.

5) In addition to the above at the Extra Ordinary General Meeting held on Saturday, August 19, 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.

6) In addition to the above at the Extra Ordinary General Meeting held on Wednesday, September 20, 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.

7) In addition to the above at the Extra Ordinary General Meeting held on Wednesday, November 18, 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

8) In addition to the above at the Extra Ordinary General Meeting held on Saturday, March 18, 2024 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:
   - 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

9) At the 11th Annual General Meeting held on Friday, September 30, 2022 at 5:55 pm at the registered office of the Company at Site No.89/2, Lava Kusha Arcade, Munnekolal Village, Outer Ring Road, Marathahalli, Bengaluru – 560037, no special resolutions were passed.

10) In addition to the above at the Extra Ordinary General Meeting held on Tuesday, May 10, 2022 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 2,50,658 Series F Compulsorily Convertible Preference Shares('Series F CCPs') On Private Placement And Circulation of Private Placement Offer Letter
    - Approval to Adopt the Restated Articles of Association Of the Company To Make In Line with the Execution Version of the Shareholder Agreement.

11) In addition to the above at the Extra Ordinary General Meeting held on Wednesday, July 20, 2022 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 issuance of Bonus Shares to the Equity Shareholders in ratio of 1: 9.
    - Approval for amendment to Employee Stock Option Scheme (ESOP 2014) of the Company and increase in ESOP Pool.

12) In addition to the above at the Extra Ordinary General Meeting held on Tuesday, August 09, 2022 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, no special resolution was passed.

13) In addition to the above at the Extra Ordinary General Meeting held on Saturday, September 24, 2022 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, no special resolution was passed.

- Issuance of Non-Convertible Debentures during the FY 2022-2023 through Private Placement.

B. RESOLUTIONS PASSED THROUGH POSTAL BALLOT & DETAILS OF VOTING PATTERN:

No resolutions were passed by way of postal ballot during the financial year 2024-25.

i) **Person who conducted the postal ballot exercise:** Not applicable

ii) **Whether any special resolution is proposed to be conducted through postal ballot:** As on date, no special resolutions are proposed to be passed through postal ballot.

iii) **Procedure for postal ballot:** The Company has not passed any special resolution through postal ballot in the financial year 2024-25. If the Company decides to pass resolutions through postal ballot, it shall comply with the procedure prescribed under the Companies Act, 2013 and its relevant rules.

C. MEANS OF COMMUNICATION

The Company communicates with its stakeholders through established procedures via multiple channels of communication, as outlined below:

Announcement of Financial Results: The Company was not required to upload its results on the stock exchanges during the Financial year under review as the Company was not a listed company in Financial Year 2024-25.

Press/News Release: The Company was not required to publish its financial results in the newspapers as the Company was not a listed company in Financial year 2024-2025

Website: The 'Governance' section of Company's website hosts shareholder's related information. Besides the mandatory documents required to be uploaded on the Company's website under the SEBI Listing Regulations, reports are also hosted on the website under the tab "Investors Relations: https://www.bluestone.com/investor-relations.html

Presentation(s) to Institutional Investors and Analysts: No presentation were made to analyst/institutional investors as the Company was not a listed company in Financial Year 2024-25.

Presentation(s) to Institutional Investors and Analysts: The schedule of analyst/institutional investors' meetings and presentations were not required to be uploaded on the website of the Company or on the exchanges as the Company was unlisted Company.

XVII. GENERAL SHAREHOLDER INFORMATION

1) **Annual General Meeting:** AGM shall be held on Monday, September 29, 2025 at 12:00 noon IST (time) via Video Conference/other Audio Video Means.

2) **Financial Year:** April 01, 2024 to March 31, 2025

3) The Board of Directors has not proposed any dividend for the financial year 2024–2025 for the approval of the shareholders.

4) Listing on Stock Exchanges and Stock Code: The Equity Shares of the Company are got listed on the National Stock Exchange of India Limited, the BSE Limited, Mumbai on August 19, 2025 on following stock exchanges:

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

The ISIN Number for dematerialized shares: **INE304W01038**

5) **Listing Fee:** The Annual Listing Fees have been paid to each of the above Stock Exchanges for the FY 2025-26.

6) 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

7) **Registrar and Transfer Agents(RTA)**: The Company has appointed Registrar and 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 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

8. 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.

9. 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.

10. Distribution of Equity Shareholding

Shareholding as on March 31, 2025

Range of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares held
501- 1,000	19	22.89	17,529	0.05
1,001- 2,000	5	6.02	7,737	0.02
2,001- 3,000	4	4.82	9,205	0.03
3,001- 4,000	1	1.20	3,653	0.01
4,001- 5,000	2	2.41	8,270	0.02
5,001- 10,000	9	10.84	63,885	0.18
10,001 – 20,000 aboeAbove	7	8.43	97,589	0.28
20001 and above	36	43.37	3,50,27,132	99.41
Total	**83**	**100.00**	**3,52,35,000**	**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.

11. Shareholding Pattern as on March 31, 2025

Sr. No.	Particulars	No. of Shares	% of Share Holding
1.	Promoters and Promoter Group	2,47,61,977	70.28
2.	Institutional Investors, Corporate Investors , QIB, AIF and Trust	35,14, 414	9.97
3.	RII	66,33238	18.82
4.	FPI and NRI	3,26,371	0.93
	Total	**3,52,35,000**	**100%**

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	69.43
2.	Mr. Rumit Dugar	Chief Financial Officer	1,06,104	0.30
3.	Ms. Jasmeet Kaur Saluja*	Company Secretary	NIL	NIL
4.	Mr. Paras Shah#	Company Secretary	NIL	NIL

* Ceased to be Company Secretary and Compliance Officer due to resignation with effect from April 30, 2025

Appointed as Company Secretary and Compliance Officer with effect from July 15, 2025.

12. Dematerialization of shares and liquidity

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).

Please note as on March 31, 2025, the number of shares held in dematerialized with NSDL was 3,04,07,094 equity shares having percentage paid up capital of 86.30 % and with CDSL was 17,47,251 equity shares having percentage paid up capital of 4.96 %. Since the listing date i.e August 19, 2025, the Company's paid-up capital is in dematerialized form. The number of shares held in dematerialized with NSDL was 13,42,03,053 equity shares having percentage paid up capital of 88.69 % and with CDSL was 140,36,664 equity shares having percentage paid up capital of 9.28 %

13. 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 March 31, 2025. 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".

14. 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.

15. 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.

16. Plant Locations of the Company and its subsidiary:

The Company have manufacturing facilities located in Mumbai, Maharashtra, Jaipur, Rajasthan and Surat, Gujarat and have recently commenced operations at our 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.

17. Address for correspondence:

Registered Office:	Corporate Office:
BlueStone Jewellery and Lifestyle Limited (formerly known as BlueStone Jewellery and Lifestyle Private Limited)	**BlueStone Jewellery and Lifestyle Limited** (formerly known as BlueStone Jewellery and Lifestyle Private Limited)
(CIN – U72900KA2011PLC059678)	(CIN – U72900KA2011PLC059678)
Site No.89/2 Lava Kusha Arcade Munnekolal Village, Outer Ring Road, Mar, Athahalli, Bangalore - 560037, Karnataka, India,	302, Dhantak Plaza, Makwana Road, Marol, Andheri (East), Mumbai-400059, Maharashtra, India
Tel: +91 80 4514 6904	Tel: +91 72599 17666
Registered e-mail: secretarial@bluestone.com	Registered e-mail: secretarial@bluestone.com
Website– https://www.bluestone.com/investor-relations.html/	Website– https://www.bluestone.com/investor-relations.html/

XVIII. SENIOR MANAGEMENT PERSONNEL (“SMP”):

As on the date of this report, following are the Senior Management Personnel: -

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

Appointed as Senior Managerial Personnel of the Company with effect from September 27, 2024.

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

XIX. 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, 2025:

Particulars	Amount in Rupees
Audit of statutory accounts including consolidated accounts	₹34,50,000
Taxation matters	NIL
Other services	NIL
Reimbursement of levies and expenses	₹1,38,000
Total	**₹35,88,000**

XX. DISCLOSURE

a. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

There are no materially significant transactions with the related parties that had potential conflict with the interest of the Company. Transactions with related parties as per applicable Indian Accounting Standard have been disclosed in the notes forming part of the Financial Statement.

Details of related party transactions entered into the Company, have also been disclosed in the Note No. 37 of the financial statements.

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 Note No. 37 of Notes to the Accounts annexed to the Financial Statement.

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:

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

The Company policy on determining material subsidiaries as required under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy is hosted on the Company's website 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.

Your 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 March 31, 2025 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 2025): 3,278.75 million (Gold).

b) Exposure of the Company to various Commodities:

Commodity name	Exposure in INR 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	3278.75 million	370 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 2024 – 25.

h. Disclosure on acceptance of recommendations made by Board Committees to the Board

During FY 2024-2025, 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 FY 2024-25, 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- Not applicable since during the period under review, the Company was not a listed company.

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

l. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not applicable since the Company was not a listed company during the review period.

XXI. PRACTICING COMPANY SECRETARY'S CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

A certificate has been obtained by M/s. Parth Joshi & Co, Practicing Company Secretaries, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Director by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The certificate is annexed to this Report as **Annexure - 6**.

XXII. CERTIFICATE OF COMPLIANCE CERTIFICATE BY PRACTICING COMPANY SECRETARY

Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015, the Corporate Governance Report for the year ended March 31, 2025 along with a Certificate from the practicing Company Secretaries of the Company regarding compliance with the conditions of Corporate Governance as stipulated under Schedule V of the SEBI Listing Regulations, forms an part of Annual Report is annexed with 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/s

PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To,
THE MEMBERS OF
BLUESTONE JEWELLERY AND LIFESTYLE LIMITED
(Formerly known as BLUESTONE JEWELLERY AND LIFESTYLE PRIVATE LIMITED)
Add: Site No.89/2 Lava Kusha Arcade,
Munnekolal Village, Outer Ring Road,
Marathahalli, Bangalore, India – 560037.

We have examined the compliance of conditions of corporate governance by **BLUESTONE JEWELLERY AND LIFESTYLE LIMITED** ("the company") for the financial year ended March 31, 2025, as prescribed in Regulation 17 to 27, 46(2)(b) to (i) and Para C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examinations have been limited to a review of the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the 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, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of SEBI Listing Regulations, to the extent applicable on it during the time period pre-listing of securities as the securities of the company were listed on August 19, 2025.

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.

For Parth Joshi & Co.
Company Secretaries

:

Sd/-
Parth Joshi
Proprietor
M No. – ACS 47604
C.P. No. – 24341
Peer Review Certificate no. 5743/2024
UDIN : A047604G001169857

Place: Mumbai
Date: September 04, 2025

Annexure - 6

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) read with Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
THE MEMBERS OF BLUESTONE JEWELLERY AND LIFESTYLE LIMITED
(Formerly known as BlueStone Jewellery And Lifestyle Private Limited)
Add: Site No.89/2, Lava Kusha Arcade, Munnekolal Village,
Outer Ring Road, Marathahalli, Bangalore, India, 560037.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BLUESTONE JEWELLERY AND LIFESTYLE LIMITED (Formerly known as BlueStone Jewellery And Lifestyle Private Limited)** having Company Identification Number (CIN) U72900KA2011PLC059678 and having registered office at Site No.89/2 Lava Kusha Arcade Munnekolal Village, Outer Ring Road, Marathahalli, Bangalore, Karnataka, India, 560037 (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 www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors 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	Original Date of appointment in Company
1.	Gaurav Singh Kushwaha	01674879	04/04/2012
2	Sameer Dileep Nath	07551506	05/07/2016
3.	Prashanth Prakash	00041560	26/10/2011
4.	Rohit Bhasin	02478962	16/08/2024
5.	Neha	06380757	16/08/2024
6.	Rajesh Kumar Dahiya	07508488	16/08/2024
7.	Vikram Gupta*	03358337	10/07/2015*

* Ceased as Nominee Director w.e.f. November 27, 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 pursuant to on our verification, based on the records provided to us by the Company. 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.

For Parth Joshi & Co.
Company Secretaries

:

Sd/-
Parth Joshi
Proprietor
M No. – ACS 47604
C.P. No. – 24341
Peer Review Certificate no. 5743/2024
UDIN: A047604G001169703

Place: Mumbai
Date: September 04, 2025

Management Discussion and Analysis Report

INDIAN ECONOMIC OVERVIEW

FY 2024-25 witnessed steady momentum in India's macroeconomic performance, with GDP growth exceeding 6% despite global headwinds. Consumer sentiment remained robust, supported by rising disposable incomes, a buoyant wedding season, and increased adoption of digital commerce.

The Indian gems and jewellery industry, one of the largest globally, benefitted from formalisation initiatives, hallmarking mandates, and the growing preference for branded jewellery. Omni-channel retail models gained traction, offering a seamless blend of online convenience and offline trust.

INDUSTRY STRUCTURE AND DEVELOPMENTS

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. The domestic market, valued at over ₹ 5 trillion, blends traditional craftsmanship with rapidly evolving modern retail formats.

Key developments and structural shifts shaping the industry include:

1. **Digital-Led Transformation of Jewellery Retail** – Jewellery purchasing is increasingly starting online, with consumers researching, comparing, and shortlisting designs digitally before completing in-store purchases. This trend has compelled traditional jewellers to embrace omni-channel strategies, offering virtual try-ons, online consultations, and in-store pickups.
2. **Rise of Branded Jewellery and Organised Retail** – Government regulations like mandatory hallmarking and GST compliance have accelerated the shift from unorganised to organised retail. Consumers now seek assurance in certified quality, consistent pricing, and curated designs — all strengths of branded players.
3. **Product Diversification and Fashion Influence** – Jewellery is no longer seen purely as a store of value. Demand is rising for daily wear, workwear, and occasion-specific designs, appealing particularly to younger, style-conscious customers.
4. **Lab-Grown Diamonds and Sustainability** – Ethical sourcing and environmental awareness are influencing purchase decisions. Lab-grown diamonds and eco-conscious production practices are gaining traction, offering differentiation opportunities for innovative brands.
5. **Regulatory Formalisation** – BIS hallmarking mandates, digital hallmarking processes, and adjustments in import duties are influencing cost structures and operational compliance.
6. **Geographic Expansion Beyond Metros** – Rising incomes and lifestyle aspirations in Tier-II and Tier-III cities are creating new markets for branded jewellery, supported by improved retail infrastructure.

COMPANY OVERVIEW

BlueStone Jewellery & Lifestyle Limited ("BlueStone") is a leading omni-channel jewellery brand in India, known for its design innovation, product quality, and customer-centric retail experiences. Founded as a digital-first platform, BlueStone has successfully evolved into a balanced online–offline model while retaining its technology-driven capabilities.

Key aspects of BlueStone's business model and positioning:

1. **Design-Led Product Strategy** – Offering over 8,000 active designs, BlueStone covers gold, diamond, gemstone, and platinum jewellery across multiple price points. Its in-house design team and manufacturing facilities collaborates closely to launch frequent, trend-responsive collections.
2. **Omni-Channel Presence** – With 275 stores across 117 cities as of March 31, 2025, supported by a robust e-commerce platform, BlueStone provides customers the flexibility to explore designs online and purchase either in-store or via home delivery.
3. **Technology-Driven Differentiation** – Proprietary tools such as virtual try-ons, AI-based design recommendations, and advanced analytics power personalised customer engagement and efficient stock management.
4. **Customer-Centric Retail Format** – BlueStone stores function as "experience centres," offering an inviting, consultative atmosphere. The model supports made-to-order capabilities, allowing customers to customise their purchases to suit individual preferences.
5. **Operational Integration** – The backend integrates sourcing, manufacturing, and logistics, reducing lead times and enhancing quality control. Just-in-time production for certain SKUs minimises working capital requirements.
6. **Brand Positioning and Marketing** – The brand focuses on themes of self-expression and everyday luxury, targeting millennials and young professionals who value contemporary design, authenticity, and transparent pricing.

Standalone Financial Performance (₹ in Million)

Particulars	FY 2025	FY 2024	Growth %
Revenue from Operations	17,700.02	12,658.39	39.83
EBITDA	758.85	530.49	43.05
EBITDA Margin (%)	4.29	4.19	-
PAT/(Loss)	(2,192.14)	(1,422.36)	-

Key Highlights – FY 2025

- **Strong Topline Growth** – Revenue from operations grew 39.83% **YoY** to ₹ 17,700.02 million, driven by a combination of robust same-store sales growth, a well-planned store expansion strategy, and enhanced online conversions. The topline performance reflects BlueStone 's success in capturing market share in both metro and emerging urban markets.
- **Significant EBITDA Improvement** – EBITDA grew by 43.05% to ₹ 758.85 million, with the EBITDA margin improving from 4.19 % in FY 2024 to 4.29 % in FY 2025. This was achieved despite ongoing investments in new store openings, technology upgrades, and brand marketing.
- **Expansion of Retail Footprint** – BlueStone's store count increased to **275 stores across 117 cities** as of March 31, 2025. The expansion was balanced between company-owned and franchise formats, with a focus on premium mall locations and high-street visibility.
- **Omni-channel Synergy Gains** – The company deepened integration between online and offline channels, enabling customers to discover designs digitally and complete purchases in-store. This hybrid model has driven higher conversion rates, better inventory utilisation, and improved customer lifetime value.
- **Technology-Driven Personalisation** – BlueStone invested in AI-led design recommendation and data analytics for targeted marketing. These initiatives have enhanced customer engagement and reduced acquisition costs.
- **Inventory Efficiency** – The adoption of just-in-time manufacturing for certain categories and data-driven demand forecasting reduced working capital requirements while ensuring optimal stock availability across stores.
- **Strengthened Brand Equity** – Marketing campaigns focused on everyday luxury and personal expression resonated with younger, aspirational buyers, helping BlueStone differentiate itself from traditional jewellery players.

Opportunities

1. **Rising Share of Organised Jewellery Players in India** – Consumer confidence in certified products, hallmarking compliance, and transparent pricing is accelerating the migration from unorganised to organised retail. BlueStone, with its established brand identity and design-led proposition, is well positioned to capture this shift.
2. **Strong Demand in Premium and Mid-Premium Design Categories** – There is a growing aspirational class in India, particularly in metros and emerging cities, seeking high-quality, contemporary designs. BlueStone 's ability to offer diverse collections — from daily wear to statement pieces — positions it to cater to a wide price and style spectrum.
3. **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. BlueStone 's asset-light expansion models (including franchise partnerships) provide an opportunity to scale rapidly in these markets.
4. **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 Try-at-Home. This integrated approach not only offers a seamless shopping experience but also optimizes inventory and capital efficiency, making omni-channel our core competitive edge.

Threats

1. **Price Volatility in Precious Metals and Gemstones** – Fluctuations in gold and diamond prices can impact both input costs and consumer demand. Sustained volatility may lead to lower discretionary purchases or increased inventory holding costs.
2. **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.
3. **Macroeconomic Volatility** – Events such as inflation spikes, currency depreciation, or geopolitical disruptions can weaken consumer sentiment, especially for high-value discretionary categories like jewellery.

4. **Changing Consumer Preferences** – A fast-evolving fashion landscape requires constant product innovation. Delays in anticipating or responding to design trends could affect sales.

Outlook

1. **Store Network Expansion** – The company plans to significantly increase its retail footprint in FY 2026, with an emphasis on high-potential urban markets and selective entry into new geographies.

2. **Product Portfolio Diversification** – In addition to its core gold and diamond jewellery lines, BlueStone will continue to grow daily-wear and gifting collections, tapping into emerging consumer segments.

3. **Deeper Omni-channel Integration** – Further integration of online and offline channels will enable seamless inventory visibility, virtual design consultations, and personalised marketing, enhancing the customer journey and conversion rates.

4. **Operational Efficiencies** – Continued investment in supply chain technology, vendor partnerships, and design automation will reduce costs and improve margins.

Risks and Concerns

1. Bluestone operates in a dynamic business environment where multiple internal and external factors can influence performance. One key risk is the dependency on a **limited number of vendors** 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.

2. **Regulatory changes** also pose a significant risk to the jewellery sector. Adjustments in import duties, hallmarking rules, foreign trade policies, or compliance requirements can directly affect cost structures and pricing strategies. Given the evolving regulatory framework, Bluestone actively monitors policy developments and engages with industry associations to adapt swiftly.

3. The business is also sensitive to **fluctuations in the prices of precious metals and gemstones**. Sharp movements in gold and diamond prices, driven by global market dynamics, can influence consumer affordability, working capital requirements, and profitability. The company follows prudent sourcing and pricing practices to manage such volatility.

4. 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.

5. Competition in the jewellery market continues to intensify, with established national chains, regional brands, and emerging direct-to-consumer players aggressively expanding. **Competitive pricing, promotions, and marketing spend** by peers can increase customer acquisition costs and put pressure on margins. Bluestone's strategy of design-led differentiation and superior customer experience aims to preserve its competitive edge.

6. The **seasonal nature of jewellery demand** in India is another factor to consider, with sales heavily concentrated during festive and wedding seasons. Unforeseen disruptions to these peak periods - such as economic slowdowns, gold price spikes, or adverse events - could impact annual revenues. To address this, Bluestone continues to promote non-seasonal categories like every day wear and gifting to smooth demand throughout the year.

7. Broader **macroeconomic and geopolitical volatility**, including inflationary pressures, currency depreciation, and global conflicts, can dampen consumer sentiment for discretionary luxury purchases. This could result in reduced footfalls, weaker online conversions, and inventory build-up. Additionally, as a portion of raw materials are imported, the company remains exposed to foreign exchange fluctuations that can increase costs if not managed effectively.

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 best practices and statutory requirements under the Companies Act, 2013.

Key features of the internal control environment include:

1. **Structured Policies and Procedures** – Documented standard operating procedures (SOPs) govern all key operational and financial processes, ensuring uniformity and compliance across the organisation.

2. **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.

3. **Independent Internal Audit Function** – A dedicated internal audit team, supplemented by external audit firms where required, conducts periodic reviews of processes and transactions. Audit findings are reported directly to the Audit Committee of the Board.

4. **Risk Management Integration** – The control environment is linked to the company's risk management framework, ensuring that high-risk areas such as inventory handling, vendor management, and cyber security are subject to enhanced oversight.

5. **Management Oversight** – Monthly management reviews monitor business performance, control adherence, and key risk indicators. Variances are promptly investigated, and corrective actions are implemented.

6. **Board-Level Governance** – The Audit Committee provides strategic oversight, reviews audit reports, and monitors the implementation of recommendations, thereby 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 advancements.

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.

Key aspects of the HR approach include:

1. **Workforce Composition** – As of March 31, 2025, BlueStone employed **1,943** full-time employees, including store managers, sales associates, jewellery consultants, designers, merchandisers, manufacturing specialists, and corporate staff. In addition, Bluestone also inducts contract workers at its manufacturing facilities pursuant to service agreements entered into with third party service providers. As of March 31, 2025, Bluestone had 1,264 contract workers working at our manufacturing facilities for a fee as agreed under such service agreements

2. **Training and Development** – Employees undergo structured training modules covering product knowledge, design trends, customer engagement, technology tools, and compliance requirements. Store staff also receive ongoing grooming in consultative selling and personalised service delivery.

3. **Performance Management** – The company follows a transparent, performance-linked appraisal system that ties individual and team goals to business outcomes. Incentives are aligned to key metrics such as sales conversion rates, customer satisfaction scores, and inventory management efficiency.

4. **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.

5. **Diversity and Inclusion** – The workforce reflects diversity across gender, age, and background. Initiatives are in place to encourage greater female representation in leadership roles and to provide flexible working arrangements where possible.

6. **Employee Wellbeing** – The Company is committed to promoting both the physical and mental well-being of its workforce. Our HR strategy emphasizes health and wellness programs, counselling support, and work-life balance initiatives. In addition, the Company has a comprehensive leave policy that provides for earned leave and casual leave. Employees are allowed to carry forward a certain number of unused leaves, and leave encashment is offered at the time of exit, ensuring flexibility and support for employees' personal and professional needs. We recognize that employee satisfaction is a key driver of productivity and has a direct positive impact on the overall customer experience.

7. **Talent Retention** – Career progression opportunities, internal job postings, and leadership development programmes are designed to retain high-performing talent and build future leaders from within the organisation.

BlueStone views its people as brand ambassadors who shape the customer experience, and hence, continues to invest significantly in their professional growth, workplace satisfaction, and long-term career development.

Details of significant changes in key financial ratios (changes of 25% or more as compared to the immediately previous financial year):

During FY 2024–25, the Company's financial ratios reflected notable improvements in liquidity and capital structure. The **Current Ratio** improved to 1.24 from 0.94 in the previous year, primarily on account of higher current assets. The **Gross Debt-Equity Ratio** declined from 2.46 to 1.67, driven by the infusion of share capital (H Series), thereby strengthening the balance sheet position. The **Return on Equity Ratio** also improved to -34.05% from -94.09% due to the increase in share capital (H Series). The **Trade Receivables Turnover Ratio** declined to 443.48 from 735.86, largely on account of higher trade receivables. The **Net Capital Turnover Ratio** reduced to 10.99 from (16.30), on account of higher inventory levels as we opened significant new stores.

For more detail, please refer the Company's prospectus filed with SEBI.

Independent Auditor’s Report

To the Members of BlueStone Jewellery and Lifestyle Limited (formerly known as BlueStone Jewellery and Lifestyle Private Limited)

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **BlueStone Jewellery and Lifestyle Limited** (formerly known as BlueStone Jewellery and Lifestyle Private Limited) (“the Company”), which comprise the Balance Sheet as at 31 March 2025, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information 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 31 March 2025, and its loss (including other comprehensive loss), changes in equity and its cash flows 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 Standards 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR’S REPORT THEREON

The Company’s Board of Directors is responsible for the other information. The other information comprises the Director’s report but does not include the standalone financial statements and our auditor’s report thereon.

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 and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 BOARD OF DIRECTORS FOR THE STANDALONE FINANCIAL STATEMENTS

The Company’s Board of Directors is 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 Board of Directors is 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 Board of Directors is 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, we report 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.

   (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 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 Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) The reservation 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, 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (1) The Management has represented that, to the best of its knowledge and belief, 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;

(2) The Management has represented, that, to the best of its knowledge and belief, 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, as on the date of this audit report, 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;

(3) 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) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on examination which included test checks, the Company has used certain accounting software(s) for maintaining its books of account (managed and maintained by a third-party software service provider) which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that we are unable to comment on audit trail at database level due to absence of SOC I Type II report, as explained in Note 51 to the standalone financial statements.

Further, the Company migrated to a new accounting software on October 1, 2024 for maintaining its books of account (managed and maintained by a third-party software service provider), which has a feature of recording audit trail (edit log) facility except that we are unable to comment on audit trail at database level due to absence of adequate coverage in SOC 1 Type II report, as explained in Note 51 to the standalone financial statements.

Further, except for above, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with except for above. Additionally, the audit trail of prior year 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.

Based on our examination which included test checks, the Company has used certain accounting software(s) for maintaining its books of accounts, which is managed and maintained by a third-party software service provider as explained in note 51 to the standalone financial statements. However, in absence of sufficient and appropriate audit evidence including SOC I Type II report we are unable to comment whether the accounting software 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 year(s) 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 by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

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

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 25159694BMLWGT7265

Place: Bengaluru
Date: April 24, 2025

"Annexure A"

To the Independent Auditor's Report on even date on the Standalone Financial Statements of BlueStone Jewellery and Lifestyle Limited (formerly known as BlueStone Jewellery and Lifestyle Private 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.

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

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 25159694BMLWGT7265

Place: Bengaluru
Date: April 24, 2025

"Annexure B"

To the Independent Auditor's Report on even date on the Standalone Financial Statements of BlueStone Jewellery and Lifestyle Limited (formerly known as BlueStone Jewellery and Lifestyle Private Limited)

[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 and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements, are held in the name of the Company.

(e) 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.

(f) 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) 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. Discrepancies of 10% or more in aggregate for each class of inventory were not 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) The Company has been sanctioned working capital limits in excess of ₹ 5 crores 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 returns to the extent submitted with such banks and financial institutions are in agreement with the books of account of the Company.

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 ₹ 167.98 million and in an associate amounting to ₹ 105.00 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 Act and the rules framed there under. Accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company.

vi. The provisions of sub-Section (1) of Section 148 of the Act 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 generally been regularly deposited with the appropriate authorities during the year.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other statutory dues in arrears as at 31 March 2025, outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanation 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 20 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 explanation 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 or 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 explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment of shares during the year and the requirements of Section 42 and Section 62 of the Companies Act, 2013 of the Act, have been complied with. The amount raised has been used for the purposes for which they were raised.

xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.

(b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.

(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.

xi. (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 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, the Company has incurred cash losses in the current financial year and in the immediately preceding financial year as below:

₹ million

Particulars	31 March 2025 (Current year)	March 31, 2024 (Previous Year)
Cash losses	236.29	469.72

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 44 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, since the Company has not made average net profits during the three immediately preceding financial years, the Company is not required to spend the amount as prescribed under section 135(5) of the Act. 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**
Chartered Accountants
ICAI Firm Registration No. 105047W

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 25159694BMLWGT7265

Place: Bengaluru
Date: April 24, 2025

"Annexure C"

To the Independent Auditor's Report on even date on the Standalone Financial Statements of BlueStone Jewellery and Lifestyle Limited (formerly known as BlueStone Jewellery and Lifestyle Private Limited)

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of BlueStone Jewellery and Lifestyle Limited on the Financial Statements for the year ended 31 March 2025

Report on the Internal Financial Controls 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 (formerly known as BlueStone Jewellery and Lifestyle Limited) ("the Company") as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company, has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2025, based on the internal control 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 control 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 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.

AUDITORS' 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 STANDALONE FINANCIAL STATEMENTS

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone 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 standalone 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 standalone 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**
Chartered Accountants
ICAI Firm Registration No. 105047W

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 25159694BMLWGT7265

Place: Bengaluru
Date: April 24, 2025

(All amounts are in ₹ million unless otherwise stated)

Standalone Balance Sheet

As at 31 March 2025

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
Assets			
Non-current assets			
Property, plant and equipment	3	2,659.82	1,238.25
Right-of-use assets	4	7,430.33	4,610.36
Capital work-in-progress	5	43.57	166.64
Other intangible assets	6a	36.74	1.91
Intangible asset under development	6b	10.28	-
Financial assets			
i) Investments	7	272.98	-
ii) Other financial assets	8	2,120.42	4,106.05
Non-current tax assets (net)	9	117.47	36.33
Deferred tax assets (net)	10	-	-
Other non-current assets	11	1,515.60	1,001.77
Total non-current assets		**14,207.21**	**11,161.31**
Current assets			
Inventories	12	16,525.47	9,912.21
Financial assets			
i) Investments	13	508.35	-
ii) Loans	14	-	0.39
iii) Trade receivables	15	56.06	23.77
iv) Cash and cash equivalents	16	430.57	591.35
v) Bank balances other than (iv) above	17	1,341.18	473.61
vi) Other financial assets	8	1,932.73	2,193.96
Other current assets	11	344.60	178.32
Total current assets		**21,138.96**	**13,373.61**
Total assets		**35,346.17**	**24,534.92**
Equity and liabilities			
Equity			
Equity share capital	18	296.56	278.95
Other equity	19	8,836.88	3,462.77
Total equity		**9,133.44**	**3,741.72**
Non-current liabilities			
Financial liabilities			
i) Borrowings	20	1,972.83	1,851.40
ii) Lease liabilities	21	7,051.07	4,301.18
iii) Other financial liabilities	22	143.31	325.10
Provisions	23	35.44	33.93
Total non-current liabilities		**9,202.65**	**6,511.61**
Current liabilities			
Financial liabilities			
i) Borrowings	20	5,313.35	2,452.86
ii) Gold on loan	24	3,865.53	4,424.61
iii) Lease liabilities	21	943.06	588.06
iv) Trade payables	25		
(a) Total outstanding dues of micro enterprises and small enterprises		282.97	418.55
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,364.21	1,748.94
v) Other financial liabilities	22	2,348.79	2,712.60
Provisions	23	28.46	20.52
Other current liabilities	26	2,863.71	1,915.45
Total current liabilities		**17,010.08**	**14,281.59**
Total liabilities		**26,212.73**	**20,793.20**
Total equity and liabilities		**35,346.17**	**24,534.92**

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
Chartered Accountants
Firm registration number: 105047W

Ankush Agrawal
Partner
Membership No.: 159694

Place: Bangalore
Date: 24 April 2025

For and on behalf of Board of Directors of
BlueStone Jewellery and Lifestyle Limited
CIN: U72900KA2011PLC059678

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 24 April 2025

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 24 April 2025

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 24 April 2025

Jasmeet Saluja
Company Secretary
Membership No.: 46206

Place: Mumbai
Date: 24 April 2025

(All amounts are in ₹ million unless otherwise stated)

Standalone Statement of Profit and Loss

For the year ended 31 March 2025

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	27	17,700.02	12,658.39
Other income	28	599.18	376.52
Total income		**18,299.20**	**13,034.91**
Expenses			
Cost of raw materials consumed	29	17,215.35	12,346.71
Change in inventories of finished goods, work-in-progress and stock-in-trade	30	(6,230.46)	(4,803.30)
Employee benefits expense	31	2,022.43	1,384.25
Finance costs	32	2,075.42	1,376.71
Depreciation and amortization expense	33	1,474.75	952.66
Other expenses	34	3,933.85	3,200.24
Total expenses		**20,491.34**	**14,457.27**
Loss before tax		**(2,192.14)**	**(1,422.36)**
Tax expenses:			
Current tax	36	-	-
Deferred tax	36	-	-
Total tax expenses		**-**	**-**
Loss for the year	A	**(2,192.14)**	**(1,422.36)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
i. Re-measurement of employee defined benefit plans	35	(8.10)	9.77
ii. Income tax on (i) above	36	-	-
Other comprehensive (loss)/income for the year, net of tax	B	**(8.10)**	**9.77**
Total comprehensive loss for the year	A+B	**(2,200.24)**	**(1,412.59)**
Earnings per share (in ₹) (Nominal value of ₹ 1 each)			
Basic	38	(78.86)	(78.36)
Diluted	38	(78.86)	(78.36)

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
Chartered Accountants
Firm registration number: 105047W

For and on behalf of Board of Directors of
BlueStone Jewellery and Lifestyle Limited
CIN: U72900KA2011PLC059678

Ankush Agrawal
Partner
Membership No.: 159694

Place: Bangalore
Date: 24 April 2025

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 24 April 2025

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 24 April 2025

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 24 April 2025

Jasmeet Saluja
Company Secretary
Membership No.: 46206

Place: Mumbai
Date: 24 April 2025

(All amounts are in ₹ million unless otherwise stated)

Standalone Statement of Changes in Equity

For the year ended 31 March 2025

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 1 each, fully paid up

	Note	Number	Amount
As at 31 March 2023		**18,151,940**	**18.16**
Changes in equity share capital during the year		-	-
As at 31 March 2024		**18,151,940**	**18.16**
Changes in equity share capital during the year	18	17,083,060	17.08
As at 31 March 2025		**35,235,000**	**35.24**

Preference shares of ₹ 10 each, fully paid up

	Note	Number	Amount
As at 31 March 2023		**7,413,747**	**74.13**
Changes in preference share capital during the year	18	18,665,355	186.65
As at 31 March 2024		**26,079,102**	**260.78**
Changes in preference share capital during the year	18	(984,790)	(9.84)
As at 31 March 2025		**25,094,312**	**250.94**

Preference shares of ₹ 1 each, fully paid up

	Note	Number	Amount
As at 31 March 2023		**-**	**-**
Changes in preference share capital during the year	18	-	-
As at 31 March 2024		**-**	**-**
Changes in preference share capital during the year	18	10,380,622	10.38
As at 31 March 2025		**10,380,622**	**10.38**
Total Share capital as at 31 March 2025		**70,709,934.00**	**296.56**

B. OTHER EQUITY

Particulars	Reserves and surplus			Other comprehensive income	Total other equity
	Securities premium	Retained earnings	Share options outstanding account	Re-measurement of (gain)/loss	
As at 1 April 2023	**19,530.55**	**(20,748.50)**	**403.35**	**4.05**	**(810.55)**
Loss for the year	-	(1,422.36)	-	-	(1,422.36)
Other comprehensive income (net of tax)	-	-	-	9.77	9.77
Premium received on issue of shares	5,690.88	-	-	-	5,690.88
Options granted during the year (net)	-	-	149.65	-	149.65
Change in fair value of Equity on termination of Right to subscribe shares (Refer note 48)	-	(154.62)	-	-	(154.62)
	5,690.88	**(1,576.98)**	**149.65**	**9.77**	**4,273.32**

(All amounts are in ₹ million unless otherwise stated)

B. OTHER EQUITY (Contd.)

Particulars	Reserves and surplus			Other comprehensive income	Total other equity
	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 18(c))	8.86	-	-	-	8.86
Conversion of optionally convertible redeemable preference shares as equity (Refer note 18(c))	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**

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
Chartered Accountants
Firm registration number: 105047W

Ankush Agrawal
Partner
Membership No.: 159694

Place: Bangalore
Date: 24 April 2025

For and on behalf of Board of Directors of
BlueStone Jewellery and Lifestyle Limited
CIN: U72900KA2011PLC059678

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 24 April 2025

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 24 April 2025

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 24 April 2025

Jasmeet Saluja
Company Secretary
Membership No.: 46206

Place: Mumbai
Date: 24 April 2025

(All amounts are in ₹ million unless otherwise stated)

Standalone Statement of Cash Flows

For the year ended 31 March 2025

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
A. Cash flows from operating activities		
Loss before tax	**(2,192.14)**	**(1,422.36)**
Adjustments for non cash items and other adjustments:		
Depreciation and amortisation	1,474.75	952.66
Expense on employee stock option scheme	512.39	292.58
Finance costs	2,038.10	1,366.03
Interest income	(350.63)	(250.58)
Loss/(Profit) on sale of property, plant and equipment (net)	19.48	(19.43)
Bad debts written off	-	2.75
Provision for doubtful debt and other receivables	-	1.20
Rent waiver on lease liabilities	(3.88)	-
Gain on mutual fund	(39.31)	-
Liabilities no longer required written back	(95.16)	(96.71)
Gain on termination of lease	(10.84)	(7.96)
Fair value gain on call option in subsidiary	(52.16)	
Unwinding of interest on financial assets carried at amortised cost	(28.22)	-
Operating profit before working capital changes	**1,272.38**	**818.18**
Working capital adjustments:		
Decrease/(Increase) in other financial assets	218.19	(520.42)
Increase in other assets	(722.78)	(319.12)
Increase in inventories	(6,613.26)	(5,959.04)
Decrease in loans	0.39	11.68
Increase in trade receivables	(32.29)	(17.07)
Decrease in other financial liabilities	(547.42)	(320.50)
Increase in provisions	1.35	15.21
(Decrease)/Increase in gold on loan	(559.08)	2,212.19
(Decrease)/Increase in trade payables	(425.15)	1,480.43
Increase in other current liabilities	840.40	810.43
Cash used in operations	**(6,567.27)**	**(1,788.03)**
Income tax paid (net)	(81.14)	(23.61)
Net cash used in operating activities (A)	**(6,648.41)**	**(1,811.64)**
B. Cash flows from investing activities		
Acquisition of property, plant and equipment (including capital work-in-progress and capital advances)	(1,630.82)	(988.00)
Proceeds from sale of property, plant and equipment	7.80	172.34
Acquisition of intangible assets	(38.96)	(1.08)
Payment for acquisition of subsidiary	(167.98)	-
Payment for acquisition of associate	(105.00)	-
Investment in fixed deposits	(6,016.55)	-
Redemption of fixed deposits	7,141.32	(3,276.26)
Investment in mutual funds	(3,395.00)	-
Redemption of mutual funds	2,925.96	-
Interest received on fixed deposits	369.70	276.52
Net cash used in investing activities (B)	**(909.53)**	**(3,816.48)**
C. Cash flows from financing activities		
Proceeds from issue of equity shares	1,092.97	-
Proceeds from issue of preference shares	5,978.39	5,877.53
Proceeds from borrowings (Refer note b (i) below)	8,254.26	4,393.28
Repayment of borrowings (Refer note b(i) below)	(5,272.34)	(2,373.20)
Interest paid (Refer note b(i) below)	(1,526.95)	(1,056.65)
Settlement of cash settled ESOP liability	-	(117.96)
Repayment of lease liabilities (Refer note b(iii) below)	(1,129.17)	(774.53)
Net cash generated from financing activities (C)	**7,397.16**	**5,948.47**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(160.78)**	**320.35**
Cash and cash equivalents at the beginning of the year	591.35	271.00
Cash and cash equivalents at the end of the year (Note no. 16)	**430.57**	**591.35**

(All amounts are in ₹ million unless otherwise stated)

Notes:

(a) Above Cash Flow 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 2023	Non-cash changes			Cash flows	31 March 2024
		Fair value changes/ Adjustments	Finance cost accrued during the year	Additions (Net)		
i) Borrowings (including interest)	2,277.20	-	1,056.65	-	963.43	4,297.27
ii) Lease liabilities	3,729.31	-	305.30	1,629.16	(774.53)	4,889.24
iii) Issue of Preference shares	-	-	-	-	5,877.53	-
iv) Issue of Equity shares	-	-	-	-	-	-

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)	509.33	3,728.61	(1,129.17)	7,994.13
iii) Issue of Preference shares	-	-	-		5,978.39	-
iv) Issue of Equity shares	-	6.99	-	-	1,092.97	-

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
Chartered Accountants
Firm registration number: 105047W

Ankush Agrawal
Partner
Membership No.: 159694

Place: Bangalore
Date: 24 April 2025

For and on behalf of Board of Directors of
BlueStone Jewellery and Lifestyle Limited
CIN: U72900KA2011PLC059678

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Jasmeet Saluja
Company Secretary
Membership No.: 46206

Place: Mumbai
Date: 24 April 2025

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

1. GENERAL INFORMATION

BlueStone Jewellery and Lifestyle Limited (formerly known as BlueStone Jewellery and Lifestyle Limited) ('the Company') is a public limited company having its registered office in Bangalore, India. The Company is engaged in design, manufacture and sale of fine jewellery. The Company carries on its business under the brand name of "BlueStone".

The Company was duly converted to a public limited company i.e., BlueStone Jewellery and Lifestyle Limited from a private limited company i.e., BlueStone Jewellery and Lifestyle Private Limited w.e.f. 08 November 2024 and accordingly the corporate identification number (CIN) was changed to U72900KA2011PLC059678.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

(i) 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 24 April 2025.

(ii) 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.

(iii) Basis of Measurement

These standalone 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.

(iv) Going Concern

The Company has incurred a loss of ₹ 2,192.14 million for the year ended 31 March, 2025 and has accumulated losses of ₹ 24,517.62 million as at 31 March 2025.

Notwithstanding the above, the Company’s net current assets exceed its net current liabilities by ₹ 4,128.88 million as at 31 March 2025. During the year ended 31 March 2025, the Company has raised compulsorily convertible preference shares (""CCPS"") for a consideration of ₹ 7,091.46 million to meet its long and short- term objectives. Further, the Management has assessed it has successfully able to grow revenue from the existing stores over the years with significant new stores additions which has resulted in improved margins and increased revenue, which it expects to continue in near future. Further, regulatory approval on its draft red herring prospectus for its IPO and strategic expansion plans which would lead to increased revenue over the coming years, provide a basis for the Company to prepare its standalone financial statements on a going concern basis.

(v) 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 2025 is included in the following notes:

a) Estimation of current tax/deferred tax expenses and payable - Point 2.12 of Material Accounting Policies

b) Estimation of defined benefit obligation - Point 2.9 of Material Accounting Policies;

c) Estimation of useful lives, residual values of property, plant & equipment - Point 2.2 of Material Accounting Policies;

d) Fair value measurement of financial instruments - Point 2.11 of Material Accounting Policies;

e) Leases - Whether an arrangement contains a lease - Point 2.5 of Material Accounting Policies;

f) Fair value of employee stock option plans - Point 2.10 of Material Accounting Policies;

g) Impairment testing of property, plant & equipment and Right-to-use assets - Point 2.4 of Material Accounting Policies;

h) Estimation of fair value of call option - refer note 53;

i) Derivative instruments in designated hedge accounting relationship - Point 2.11 of Material Accounting Policies.

(vi) Measurement of fair values

"A number of 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 fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(vii) 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.

2.2 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.

Notes to the Standalone financial statements

For the year ended 31 March 2025

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 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. Repairs and maintenance costs are recognised in the statement of profit and loss as incurred.

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.

2.3 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

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

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 realibly, 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

2.4 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.

2.5 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

Notes to the Standalone financial statements

For the year ended 31 March 2025

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.

2.6 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) Raw materials are valued at weighted average except Solitaires which is valued on specific identification basis.

b) Work-in-progress and finished goods (other than gold) are valued at weighted average cost of production.

c) Gold is valued on First-in-First-out basis. 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.

2.7 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.

2.8 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 performance obligations in the contracts are fulfilled based on various customer terms including at the time of delivery of goods or upon dispatch based on various distribution channels.

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.

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 26) and right to recover returned goods is included in other current assets (note 11). The Company reviews its estimate of expected returns at each reporting date and updates the amounts of the assets and liability accordingly.

Interest income is recognized on a time proportion basis, taking into account the amount outstanding and the rate applicable.

(b) Gift vouchers:

The amount collected on sale of a gift voucher is recognized as a liability and transferred to revenue (sales) on redemption by the customers or is transferred to other income on expiry as per the policy.

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

2.9 Employee benefits

(i) Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(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.

(iv) Compensated absences

The Company has changed leave encashment policy during the year ended 31 March 2024,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.

In the earlier years, the Company has leave encashment policy in the form of compensated absence which is considered as a long-term benefit and accordingly the provision has been created based on actuarial valuation.

2.10 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.

2.11 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.

Notes to the Standalone financial statements

For the year ended 31 March 2025

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

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on receivables and unbilled revenues. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12 month ECL.

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.

ECL impairment loss allowance (or reversal) is recognised as an income/expense in the statement of profit and loss during the period.

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."

(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.

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

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 (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 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 taken on loan from banks ('unfixed gold') as a fair value hedge to the corresponding gold inventory purchased on loan.

2.12 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax is calculated on the basis of the tax rates and the tax laws enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions or make reversals of provisions made in earlier years, where appropriate, on the basis of amounts expected to be paid to/received from the tax authorities.

Deferred tax is recognized for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient

Notes to the Standalone financial statements

For the year ended 31 March 2025

taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets and liabilities and the deferred tax balances relate to the same taxable authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.13 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.

2.14 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.

2.15 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.

For the purpose of cash flow statement, cash and cash equivalent includes cash on hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.16 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.

2.17 Operating Segments

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.

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

2.18 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.

In the earlier years, for the purpose of calculating basic EPS, shares allotted to ESOP trust pursuant to the employee share based payment plan are not included in the shares outstanding as on the reporting date till the employees have exercised their right to obtain shares, after fulfilling the requisite vesting conditions. Till such time, the shares so allotted are considered as dilutive potential equity shares for the purpose of calculating diluted EPS.

2.20 Recent accounting pronouncements

(a) Ind AS 117, Insurance Contracts

The Ministry of corporate Affairs ("MCA") notified the Ind AS 117, Insurance Contracts, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply.

The application of Ind AS 117 had no impact on the Company's financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

(b) Ind AS 116, Leases

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amended Ind AS 116, Leases, with respect to lease liability in a sale and leaseback transaction.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The application of Ind AS 116 had no impact on the Company's financial statements as the Company has not entered into any transaction with respect to sale and leaseback.

There are no standards on accounting or any addendum thereto, prescribed by Ministry of Corporate Affairs (MCA) under Section 133 of the Companies Act, 2013 which are issued and not effective as at 31 March, 2025.

Notes to the Standalone financial statements

For the year ended 31 March 2025

(All amounts are in ₹ 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 2023	**368.09**	**26.72**	**58.44**	**165.00**	**354.44**	**76.49**	**0.70**	**1,049.88**
Additions	164.87	-	24.18	141.18	437.95	35.74	13.83	**817.75**
Disposals	98.11	-	-	21.81	65.36	5.70	-	**190.98**
Balance as at 31 March 2024	**434.85**	**26.72**	**82.62**	**284.37**	**727.03**	**106.53**	**14.53**	**1,676.65**
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**
Accumulated depreciation								
Balance as at 1 April 2023	**70.18**	**22.43**	**8.32**	**17.39**	**62.81**	**14.86**	**0.51**	**196.50**
Depreciation expense for the year	87.96	2.15	2.81	21.94	125.12	37.98	2.01	**279.97**
Disposals	22.74	-	-	2.34	11.66	1.33	-	**38.07**
Balance as at 31 March 2024	**135.40**	**24.58**	**11.13**	**36.99**	**176.27**	**51.51**	**2.52**	**438.40**
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**
Carrying amount (net)								
At 31 March 2024	**299.45**	**2.14**	**71.49**	**247.38**	**550.76**	**55.02**	**12.01**	**1,238.25**
At 31 March 2025	**1,001.87**	**-**	**277.75**	**546.17**	**758.89**	**63.85**	**11.29**	**2,659.82**

* 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.

Notes to the Standalone Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ 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 2025 and 31 March 2024:

Particulars	Right of Use buildings	Total
Cost		
Balance as at 1 April 2023	**4,335.65**	**4,335.65**
Additions*	1,750.05	1,750.05
Disposal/adjustments	(59.08)	(59.08)
Balance as at 31 March 2024	**6,026.62**	**6,026.62**
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**
Accumulated depreciation		
Accumulated depreciation as at 1 April 2023	**745.65**	**745.65**
Charge for the year	670.61	670.61
Deletions	-	-
Balance as at 31 March 2024	**1,416.26**	**1,416.26**
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**
Net carrying amount as at 31 March 2024	**4,610.36**	**4,610.36**
Net carrying amount as at 31 March 2025	**7,430.33**	**7,430.33**

*Includes security deposit.

B. Following are Lease Liabilities for the year ended 31 March 2025 and 31 March 2024:

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	4,889.24	3,729.31
Additions	3,950.53	1,693.54
Termination	(221.93)	(64.38)
Accretion of interest	509.33	305.30
Payments (including rent concession)	(1,133.04)	(774.53)
Closing balance	**7,994.13**	**4,889.24**

Particulars	As at 31 March 2025	As at 31 March 2024
Current	943.06	588.06
Non-Current	7,051.07	4,301.18
Total	**7,994.13**	**4,889.24**

Refer Statement of cash flows for total cash outflow on account of lease payments during the years ended 31 March 2025 and 31 March 2024.

Notes to the Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

Following are the contractual maturities of lease liabilities as at 31 March 2025 and 31 March 2024 on an undiscounted basis:

Particulars	As at 31 March 2025	As at 31 March 2024
Not later than one year	1,507.69	922.48
Later than one year but within five years	5,693.58	3,503.24
Later than five years	3,011.94	1,870.81
Total	**10,213.21**	**6,296.53**

C. Following are expenses recognised in Statement of Profit and Loss for the years ended 31 March 2025 and 31 March 2024:

Particulars	As at 31 March 2025	As at 31 March 2024
Depreciation expense on Right of Use asset	1,025.33	670.61
Interest expense on lease liabilities	509.33	305.30
Rent expenses related to short term leases	20.22	36.13
Total expense recognised in Statement of Profit and Loss	**1,554.88**	**1,012.04**

- The total cash outlow for leases is ₹ 1,149.38 million for the 31 March 2025 (₹ 810.66 million for 31 March 2024) including cash outlow for short term leases and leases of low-value assets.
- The Company has lease term extension options that are not reflected in the measurement of lease liabilites.
- The Company does not have any lease restrictons and commitment towards variable rent as per the contract.

5. CAPITAL WORK-IN-PROGRESS

Particulars	As at 31 March 2025	As at 31 March 2024
Tangible	43.57	166.64
Total	**43.57**	**166.64**

CWIP (tangible) ageing schedule:

Particulars	As at 31 March 2025	As at 31 March 2024
Projects in progress		
Less than 1 year	43.57	166.64
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	**43.57**	**166.64**

Notes to the Standalone Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

- There is no CWIP under development whose completion is overdue or has exceeded its cost compared to the original plan.

- Company does not have any overdue projects as of 31 March 2025 and 31 March 2024.

- During the current year, Company has capitalised assets amounting to ₹ 1,906.60 million (31 March 2024 - ₹ 817.75 million).

6. A. OTHER INTANGIBLE ASSETS

	Computer software	Total
Balance as at 1 April 2023	**9.24**	**9.24**
Additions	1.08	1.08
Disposals	-	-
Balance as at 31 March 2024	**10.32**	**10.32**
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**
Accumulated amortization		
Balance as at 1 April 2023	**6.33**	**6.33**
Amortization expense for the year	2.08	2.08
Disposals	-	-
Balance as at 31 March 2024	**8.41**	**8.41**
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**
Carrying amount (net)		
Balance as at 31 March 2024	**1.91**	**1.91**
Balance as at 31 March 2025	**36.74**	**36.74**

No revaluation of intangible assets were carried out during the year.

6. B. INTANGIBLE ASSET UNDER DEVELOPMENT

Particulars	As at 31 March 2025	As at 31 March 2024
Intangible asset under development	10.28	-
Total	**10.28**	**-**

CWIP (intangible asset under development) ageing schedule:

Particulars	As at 31 March 2025	As at 31 March 2024
Projects in progress		
Less than 1 year	10.28	-
1-2 years	-	-
2-3 years	-	-

Notes to the Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

CWIP (intangible asset under development) ageing schedule: (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
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.
- Company does not have any overdue projects as of 31 March 2025 and 31 March 2024.
- During the current year, the Company has capitalised assets amounting to ₹ 26.51 million (31 March 2024 - ₹ Nil).

7. FINANCIAL ASSETS - INVESTMENTS (NON - CURRENT)

Particulars	As at 31 March 2025	As at 31 March 2024
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 24: Nil shares)	0.27	-
In Associate		
100 fully paid equity shares of ₹ 1 each in Redefine Fashion Private Limited (31 March 24: Nil shares)	0.06	-
INVESTMENT IN CUMULATIVE CONVERTIBLE PREFERENCE SHARES (CCPS) (Unquoted)		
(at cost unless otherwise stated)		
In Subsidiary		
61,567 fully paid CCPS of ₹ 10 each in Ethereal House Private Limited (31 March 24: Nil shares)	167.71	-
In Associate		
170,526 fully paid CCPS of ₹ 1 each in Redefine Fashion Private Limited (31 March 24: Nil shares)	104.94	-
Total	**272.98**	**-**
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate value of unquoted investments	272.98	-
Aggregate amount of impairment in value of investments	-	-

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

8. OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current, unsecured, considered good		
Rental and other deposits	503.35	366.37
Margin money deposits *	0.05	-
Bank deposits with more than 12 months maturity #	1,617.02	3,739.68
Total	**2,120.42**	**4,106.05**

* Represents deposits given as security against bank guarantee.

Includes deposits given as security against gold loan ₹ 1,429.00 million (31 March 2024 - ₹ 3,533.00 million) and deposits given as security against bank overdraft ₹ 128.02 million (31 March 2024 - ₹ 131.68 million).

Particulars	As at 31 March 2025	As at 31 March 2024
Current, unsecured, considered good		
Rental and other deposits	30.67	6.89
Interest accrued but not due on fixed deposits with banks	10.31	29.39
Bank deposits with maturity of less than 12 months *	1,459.35	1,273.93
Margin money deposits **	1.25	12.65
Deposits with NBFC ***	51.25	95.00
Margin money with brokers #	31.64	-
Call Option – Subsidiary (refer note no. 53)	52.16	-
Receivables from franchisee	290.52	768.90
Other receivables	5.58	7.20
Total	**1,932.73**	**2,193.96**

* Includes deposits given as security against gold loan ₹ 939.86 million (31 March 2024 - ₹ 1,121.93 million), marked as lien against working capital loan ₹ 126.00 million (31 March 2024 - ₹ 21.32 million) and deposits given as security against bank overdraft ₹ 256.25 million (31 March 2024 - ₹ 45.15 million).

** Represents deposits given as security against bank guarantee.

*** Represent deposits given as security against working capital loan ₹ 20.00 million (31 March 2024 - ₹ 20.00 million) and vendor financing ₹ 31.25 million (31 March 2024 - ₹ 75.00 million).

Represent deposits maintained by the Company with brokers for hedging contracts.

9. NON-CURRENT TAX ASSETS (NET)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance income tax (net of provision for tax - Nil)	117.47	36.33
Total Non- current tax assets (net)	**117.47**	**36.33**

10. DEFERRED TAX ASSETS (NET)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax assets (Refer Note 36E)	-	-
Total Deferred tax assets (net)	**-**	**-**

Notes to the Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

11. OTHER ASSETS

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current assets, unsecured, considered good		
Balance with Government authorities	1,234.92	747.34
Capital advances	34.16	76.82
Advance paid to BlueStone Trust (formerly known as BlueStone Jewellery and Lifestyle Limited Management Stock Transfer trust)	-	1.24
Less: Adjustment for Treasury Shares	-	(1.24)
Goods and service tax refund receivables	246.52	177.61
Total	**1,515.60**	**1,001.77**

Particulars	As at 31 March 2025	As at 31 March 2024
Current assets, unsecured, considered good		
Advance to suppliers	58.12	62.36
Right to recover returned goods (Refer note below)	67.67	38.76
Prepaid expenses*	203.53	50.66
Other receivables	15.28	26.54
Total	**344.60**	**178.32**

Right to recover returned goods represents the amount of goods expected to be received by the Company on account of sales return.

* The Company is in the process of launching its initial public offer ('IPO') of equity shares and accordingly has filed its draft offer documents with the Securities and Exchange Board of India ('SEBI') on 11 December 2024, and has incurred ₹ 117.08 million (31 March 2024: ₹ Nil) in connection with the said public offer. These IPO related expenses will largely be adjusted against the securities premium to the extent permissible under Section 52 of the Companies Act, 2013 on successful completion of the issue.

12. INVENTORIES

Particulars	As at 31 March 2025	As at 31 March 2024
(valued at lower of cost and net realisable value)		
Raw materials	2,291.68	1,992.69
Work-in-progress	347.86	10.97
Finished goods	13,787.66	7,894.09
Packing materials	98.27	14.46
Total	**16,525.47**	**9,912.21**

- Refer note 20 for charge created against inventories.

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

13. INVESTMENTS - CURRENT

Particulars	As at 31 March 2025	As at 31 March 2024
Investments in Mutual Funds (at fair value through profit or loss)		
Quoted		
Axis Money Market Fund Direct Growth (3,59,017.399 units) * (31 March 2024: Nil units)	508.35	-
Total	**508.35**	**-**
* A total of 344,174 units have been pledged against hedging activities		
Aggregate amount of quoted investments	508.35	-
Aggregate market value of quoted investments	508.35	-

14. LOANS

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Unsecured		
Advances to employees - considered good	-	0.39
Total	**-**	**0.39**

15. TRADE RECEIVABLES

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Unsecured		
Trade receivables - considered good	56.06	23.77
Trade receivables - credit impaired	-	1.60
	56.06	**25.37**
Less: Provision for expected credit loss	-	(1.60)
Total	**56.06**	**23.77**

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.

Trade receivables Ageing Schedule

Ageing as at 31 March 2025

	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	-	-	-	-	-	**-**

Notes to the Standalone financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

Ageing as at 31 March 2025 (Contd.)

	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 – 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**

Ageing as at 31 March 2024

	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	23.77	-	-	-	-	**23.77**
Undisputed Trade Receivables – which have significant increase in credit risk	-		-	-	-	**-**
Undisputed Trade Receivables – credit impaired	-	1.60	-	-	-	**1.60**
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**23.77**	**1.60**	**-**	**-**	**-**	**25.37**

- There are no trade receivable which are not due.

16. CASH AND BANK BALANCES

Particulars	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents		
Cash on hand	0.02	0.83
Demand drafts on hand	-	3.89
Balances with banks		
- in current accounts	76.38	585.98
- in bank deposits (with original maturity of 3 months or less)#	354.17	0.65
Total cash and cash equivalents	**430.57**	**591.35**

Includes deposits given as security against gold loan ₹ 104.17 million (31 March 2024 - Nil).

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

17. OTHER BANK BALANCES

Particulars	As at 31 March 2025	As at 31 March 2024
Fixed deposit accounts with bank (original maturity more than 3 months but less than 12 months)*	995.00	120.34
Balances with banks held as margin money**	346.18	353.27
Total other bank balances	**1,341.18**	**473.61**

*Includes deposits given as security against gold loan ₹ 965.00 million (31 March 2024 - ₹ 120.34 million) and deposits given as security against bank overdraft ₹ 30.00 million (31 March 2024 - ₹ Nil).

**Represents balance held as margin money against gold metal loan ₹ 346.18 million (31 March 2024 - ₹ 353.27 million).

18. SHARE CAPITAL

Particulars	As at 31 March 2025	As at 31 March 2024
Authorized share capital		
Equity shares		
168,290,700 Equity shares of ₹ 1 each (as at 31 March 2024: 68,290,700)	168.29	68.29
Convertible Preference Shares		
609,594 CCPS of Series A of ₹ 10 each (as at 31 March 2024: 609,594)	6.10	6.10
186,982 CCPS of Series B of ₹ 10 each, (as at 31 March 2024: 186,982)	1.87	1.87
88,624 CCPS of Series B1 of ₹ 10 each, (as at 31 March 2024: 88,624)	0.89	0.89
1,339,659 CCPS of Series B2 of ₹ 10 each, (as at 31 March 2024: 1,339,659)	13.40	13.40
128,207 CCPS of Series B3 of ₹ 10 each, (as at 31 March 2024: 128,207)	1.28	1.28
1,417,252 CCPS of Series C of ₹ 10 each, (as at 31 March 2024: 1,417,252)	14.17	14.17
1,980,112 CCPS of Series D of ₹ 10 each, (as at 31 March 2024: 1,980,112)	19.80	19.80
625,000 CCPS of Series D1 of ₹ 10 each, (as at 31 March 2024: 625,000)	6.25	6.25
600,000 CCPS of Series D2 of ₹ 10 each, (as at 31 March 2024: 600,000)	6.00	6.00
300,000 CCPS of Series D3 of ₹ 10 each, (as at 31 March 2024: 300,000)	3.00	3.00
169,122 CCPS of Series E of ₹ 10 each, (as at 31 March 2024: 169,122)	1.69	1.69
7,292 OCRPS of Series E1 of ₹ 10 each, (as at 31 March 2024: 7,292)	0.07	0.07
395,840 CCPS of Series E2 of ₹ 10 each, (as at 31 March 2024: 395,840)	3.96	3.96
323,246 CCPS of Series F of ₹ 10 each, (as at 31 March 2024: 323,246)	3.23	3.23

Notes to the Standalone financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

18. SHARE CAPITAL (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
19,000,000 CCPS of Series G of ₹ 10 each, (as at 31 March 2024: 19,000,000)	190.00	190.00
10,500,000 CCPS of Series H of ₹ 1 each, (as at 31 March 2024: Nil)	10.50	-
	450.50	**340.00**
Issued, subscribed and paid-up share capital		
Equity share capital issued (A)		
35,235,000 Equity shares of ₹ 1 each, fully paid up (as at 31 March 2024: 21,375,200)	35.23	21.38
Less: Treasury Shares held through BlueStone Trust		
Nil Equity shares of ₹ 1 each, fully paid up (as at 31 March 2024: 3,223,260)	-	(3.22)
	35.23	**18.16**
Equity component of Compulsorily Convertible Preference Shares (CCPS)		
609,594 Series A CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 609,594)	6.09	6.09
186,982 Series B CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 186,982)	1.87	1.87
88,624 Series B1 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 88,624)	0.89	0.89
1,339,659 Series B2 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 1,339,659)	13.40	13.40
128,207 Series B3 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 128,207)	1.28	1.28
1,417,252 Series C CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 1,417,252)	14.17	14.17
1,940,933 Series D CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 1,940,933)	19.41	19.41
416,865 Series D1 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 416,865)	4.17	4.17
359,257 Series D2 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 359,257)	3.59	3.59
110,754 Series D3 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 110,754)	1.11	1.11
169,122 Series E CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 169,122)	1.69	1.69
395,836 Series E2 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 395,836)	3.96	3.96
250,658 Series F CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 250,658)	2.51	2.51
17,680,565 Series G CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 18,665,355)	176.81	186.65
10,380,622 Series H CCPS of ₹ 1 each, fully paid up (as at 31 March 2024: Nil)	10.38	-
Total share capital	**261.33**	**260.79**
Total share capital	**296.56**	**278.95**

Number of shares have been disclosed in absolute terms.

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

I. Equity shares

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Balance at the beginning of the year	18,151,940	18.16	18,151,940	18.16
Shares issued during the year	12,802,090	12.80	-	-
Shares transferred during the year	3,223,260	3.22	-	-
Conversion of OCRPS into equity shares	72,920	0.07	-	-
Conversion of G series CCPS into equity shares	984,790	0.98	-	-
Total Equity shares at the end of the year	**35,235,000**	**35.23**	**18,151,940**	**18.16**

II. Reconciliation of the number of treasury shares outstanding at the beginning and end of the year

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Equity shares				
Balance at the beginning of the year	3,223,260	3.22	3,223,260	3.22
Shares transferred during the year	(3,223,260)	(3.22)	-	-
Total Equity shares at the end of the year	**-**	**-**	**3,223,260**	**3.22**

III. Compulsorily Convertible Preference Shares (CCPS)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Series A				
At the beginning and end of the year	609,594	6.09	609,594	6.09
Total	**609,594**	**6.09**	**609,594**	**6.09**
Series B				
At the beginning and end of the year	186,982	1.87	186,982	1.87
Total	**186,982**	**1.87**	**186,982**	**1.87**
Series B1				
At the beginning and end of the year	88,624	0.89	88,624	0.89
Total	**88,624**	**0.89**	**88,624**	**0.89**
Series B2				
At the beginning and end of the year	1,339,659	13.40	1,339,659	13.40
Total	**1,339,659**	**13.40**	**1,339,659**	**13.40**
Series B3				
At the beginning and end of the year	128,207	1.28	128,207	1.28
Total	**128,207**	**1.28**	**128,207**	**1.28**
Series C				
At the beginning and end of the year	1,417,252	14.17	1,417,252	14.17
Total	**1,417,252**	**14.17**	**1,417,252**	**14.17**
Series D				
At the beginning and end of the year	1,940,933	19.41	1,940,933	19.41
Total	**1,940,933**	**19.41**	**1,940,933**	**19.41**

Notes to the Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

III. Compulsorily Convertible Preference Shares (CCPS) (Contd.)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Series D1				
At the beginning and end of the year	416,865	4.17	416,865	4.17
Total	**416,865**	**4.17**	**416,865**	**4.17**
Series D2				
At the beginning and end of the year	359,257	3.59	359,257	3.59
Total	**359,257**	**3.59**	**359,257**	**3.59**
Series D3				
At the beginning and end of the year	110,754	1.11	110,754	1.11
Total	**110,754**	**1.11**	**110,754**	**1.11**
Series E				
At the beginning and end of the year	169,122	1.69	169,122	1.69
Total	**169,122**	**1.69**	**169,122**	**1.69**
Series E2				
At the beginning and end of the year	395,836	3.96	395,836	3.96
Total	**395,836**	**3.96**	**395,836**	**3.96**
Series F				
At the beginning and end of the year	250,658	2.51	250,658	2.51
Total	**250,658**	**2.51**	**250,658**	**2.51**
Series G				
At the beginning of the year	18,665,355	186.65	-	-
Issued during the year	-	-	18,665,355	186.65
Conversion of CCPS into equity shares	(984,790)	(9.84)	-	-
Total	**17,680,565**	**176.81**	**18,665,355**	**186.65**
Series H				
At the beginning of the year	-	-	-	-
Issued during the year	10,380,622	10.38	-	-
Total	**10,380,622**	**10.38**	**-**	**-**
Total Share Capital [I + III]	**70,709,930**	**296.56**	**44,231,038**	**278.95**

(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, Company has not declared any dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential share holders and preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) The Company has issued various series of Compulsorily Convertible Preference Shares ('CCPS') and Optionally Convertible Redeemable Preference Shares ('OCRPS').

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For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

During the year ended 31 March 2024, the Company had issued G series CCPS and the CCPS holders of Series G have agreed a fixed conversion of 1 equity shares for every 1 CCPS held and therefore the same is classified as equity.

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, 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 is classified as equity.

As per the terms and conditions of issue of Series E1 OCRPS, the holders shall have a right to convert any or all of the series at their sole discretion and at any time within 19 (nineteen) years from the issue of the Series, into variable number of Equity Shares of the Company and hence were classified as financial instrument in the nature of financial liability designated to be measured at fair value through profit or loss as at 31 March 2024.

During the year ended 31 March 2025, Series E1 OCRPS is converted into equity shares in the ratio of 10:1.

(d) In the period of five years, during the year 2022-23, the Company had issued bonus shares of 16,336,746 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 year of five years immediately preceding the current year.

(g) During the year ended 31 March 2025, the Company has issued 10,001,847 rights equity shares at a price of ₹ 34 each, which includes a premium of ₹ 33 per share.

(h) Particulars of shareholders holding more than 5% equity shares

Name of the shareholders	As at 31 March 2025		As at 31 March 2024	
	Number of shares held	% holding	Number of shares held	% holding
Equity Shares				
Ganesh K*	-	-	1,548,850	9%
M/s. Access India Capital	2,926,410	8%	-	-
Gaurav Singh Kushwaha	24,465,127	69%	13,950,000	77%
Srinivas Anumolu	-	-	1,046,480	6%
Total	**27,391,537**	**77%**	**16,545,330**	**91%**
CCPS				
Series A				
Accel India III (Mauritius) Limited	457,246	75%	457,246	75%
Saama Capital II Limited	53,134	9%	53,134	9%
Sunil Kant Munjal and other partners of Hero	99,214	16%	99,214	16%
Total	**609,594**	**100%**	**609,594**	**100%**
Series B				
Accel India III (Mauritius) Limited	93,491	50%	93,491	50%
Saama Capital II Limited	93,491	50%	93,491	50%
Total	**186,982**	**100%**	**186,982**	**100%**
Series B1				
Saama Capital II Limited	88,624	100%	88,624	100%

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For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

(h) Particulars of shareholders holding more than 5% equity shares (Contd.)

Name of the shareholders	As at 31 March 2025		As at 31 March 2024	
	Number of shares held	% holding	Number of shares held	% holding
Total	**88,624**	**100%**	**88,624**	**100%**
Series B2				
Accel India III (Mauritius) Ltd	307,149	23%	307,149	23%
Kalaari Capital Partners II, LLC	264,734	20%	822,621	61%
Sunil Kant Munjal and other partners of Hero	151,920	11%	151,920	11%
Steadview Capital Mauritius Limited	196,901	15%	-	-
Peak XV Partners Growth Investments IV	360,986	27%	-	-
Total	**1,281,690**	**96%**	**1,281,690**	**95%**
Series B3				
Accel India III (Mauritius) Limited	128,207	100%	128,207	100%
Total	**128,207**	**100%**	**128,207**	**100%**
Series C				
Accel Growth III Holdings (Mauritius) Ltd	-	-	337,329	24%
Ivycap Ventures Trust – Fund 1-(Trustee-Vistra ITCL (India) Limited)	312,595	22%	312,595	22%
Kalaari Capital Partners II, LLC	220,971	16%	220,971	16%
Accel India III (Mauritius) Limited	138,107	10%	138,107	10%
DF International Private Partners	-	-	110,386	8%
Saama Capital II Limited	82,864	6%	82,864	6%
360 ONE Special Opportunities Fund - Series 12	280,927	20%	215,000	15%
Accel India VII (Mauritius) Limited	337,329	24%	-	-
Total	**1,372,793**	**98%**	**1,417,252**	**100%**
Series D				
Kalaari Capital Partners II, LLC	161,786	8%	161,786	8%
Accel India III (Mauritius) Limited	242,679	13%	242,679	13%
RB Investment Pte Limited	242,579	12%	242,579	12%
Vistra ITCL (India) Limited, Trustee of Ivycap Ventures Trust – Fund 2	161,686	8%	161,686	8%
Iron Pillar Fund I Limited	137,187	7%	137,187	7%
Kalaari Capital Partners Opportunity Fund, LLC*	-	-	161,686	8%
Iron Pillar Fund I India	206,116	11%	206,116	11%
Sunil Kant Munjal and other partners of Hero	139,520	7%	139,520	7%
360 ONE Special Opportunities Fund - Series 12	102,571	5%	102,571	5%
360 ONE Large Value Fund - Series 5	111,149	6%	111,149	6%
Total	**1,505,273**	**77%**	**1,666,959**	**85%**
Series D1				
Kalaari Capital Partners II, LLC	33,207	8%	33,207	8%
Accel India III (Mauritius) Limited	66,413	16%	66,413	16%

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

(h) Particulars of shareholders holding more than 5% equity shares (Contd.)

Name of the shareholders	As at 31 March 2025		As at 31 March 2024	
	Number of shares held	% holding	Number of shares held	% holding
Vistra ITCL (India) Limited, Trustee of Ivycap Ventures Trust – Fund 2	53,130	13%	53,130	13%
Iron Pillar Fund I Limited	66,413	16%	66,413	16%
RB Investment Pte Limited	67,715	16%	67,715	16%
Sunil Kant Munjal and other partners of Hero	102,841	25%	102,841	25%
Total	**389,719**	**94%**	**389,719**	**94%**
Series D2				
Accel India III (Mauritius) Limited	128,304	36%	128,304	36%
Saama Capital II Limited	26,043	7%	26,043	7%
Vistra ITCL (India) Limited, Trustee of Ivycap Ventures Trust – Fund 2	31,251	9%	31,251	9%
Iron Pillar Fund I Limited	127,614	36%	127,614	36%
Total	**313,212**	**88%**	**313,212**	**88%**
Series D3				
360 ONE Special Opportunities Fund - Series 12	63,218	57%	-	-
Iron Pillar II WH Ltd.	47,536	43%	-	-
Avanz EM Partnerships Fund II, SPC	-	-	110,754	100%
Total	**110,754**	**100%**	**110,754**	**100%**
Series E				
Accel India III (Mauritius) Limited	59,037	35%	59,037	35%
Kalaari Capital Partners II, LLC	11,807	7%	11,807	7%
Accel Growth III Holdings (Mauritius) Limited	-	-	39,358	23%
Iron Pillar Fund I Limited	11,807	7%	11,807	7%
Sunil Kant Munjal and other partners of Hero	15,743	9%	15,743	9%
Raveen Shastry	15,626	9%	15,626	9%
Accel India VII (Mauritius) Limited	39,358	23%	-	-
Total	**153,378**	**90%**	**153,378**	**90%**
Series E2				
Accel India III (Mauritius) Limited	125,000	32%	125,000	32%
Ashoka Pte Limited	125,000	32%	125,000	32%
Japonica Holdings Pte. Limited	62,500	16%	62,500	16%
Total	**312,500**	**80%**	**312,500**	**80%**
Series F				
Sunil Kant Munjal and other partners of Hero	250,658	100%	250,658	100%
Total	**250,658**	**100%**	**250,658**	**100%**

Notes to the Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

(h) Particulars of shareholders holding more than 5% equity shares (Contd.)

Name of the shareholders	As at 31 March 2025		As at 31 March 2024	
	Number of shares held	% holding	Number of shares held	% holding
Series G				
IE Venture Investment Fund II	3,175,712	18%	3,175,712	17%
360 One Large Value Fund - Series 13	2,215,059	13%	2,381,784	13%
360 One Special Oppurtunities Fund Series 11	1,476,706	8%	1,587,856	9%
NKSquared	1,476,706	8%	1,587,856	9%
Kamath Associate	1,476,706	8%	1,587,856	9%
IvyCap Ventures Trust Fund - III	1,476,706	8%	1,587,856	9%
NV Holdings Limited	1,246,909	7%	1,340,763	7%
Total	**12,544,504**	**70%**	**13,249,683**	**73%**
Series H				
Pratithi Growth Fund 1	605,536	6%	-	-
MIH Investments One B.V.	6,080,439	59%	-	-
Steadview Capital Mauritius Limited	1,384,083	13%	-	-
Think Investments PCC	1,453,280	14%	-	-
Total	**9,523,338**	**92%**	**-**	**-**

* Holding below 5% during current year.

(i) Shareholding of promoters

Particulars	As at 31 March 2025		As at 31 March 2024	
Equity shares of ₹ 1 each	**Number**	**Amount**	**Number**	**Amount**
Mr. Gaurav Singh Kushwaha	24,465,127	69%	13,950,000	77%

19. OTHER EQUITY

Particulars		As at 31 March 2025	As at 31 March 2024
Securities premium	(i)	32,451.30	25,221.43
Retained earnings	(ii)	(24,517.62)	(22,325.48)
Employee Stock Options Reserves	(iii)	897.48	553.00
Items of Other Comprehensive Income	(iv)	5.72	13.82
Total other equity		**8,836.88**	**3,462.77**

(i) Securities premium

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	25,221.43	19,530.55
Premium received on issue of shares	7,235.70	5,690.88
Add: Reclassification from Liability to Equity (Refer note 18 (c))	6.92	-
Add: Conversion from CCPS to Equity	8.86	-
Less: Share issue expenses	(21.61)	-
Closing balance	**32,451.30**	**25,221.43**

Notes to the Standalone Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

(ii) Retained earnings

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	(22,325.48)	(20,748.50)
Add: Loss during the year	(2,192.14)	(1,422.36)
Less: Change in fair value of Equity on termination of Right to subscribe shares (Refer note no. 48)	-	(154.62)
Closing balance	**(24,517.62)**	**(22,325.48)**

(iii) Employee Stock Options Reserves

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	553.00	403.35
Add: Options granted during the year	512.39	193.50
Less: Options exercised during the year	(167.91)	-
Less: Options surrendered during the year	-	(43.85)
Closing balance	**897.48**	**553.00**

(iv) Items of Other Comprehensive Income

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	13.82	4.05
Actuarial (loss)/gain on remeasurement of employee defined benefit plan (net of tax) (Refer note no. 35)	(8.10)	9.77
Closing balance	**5.72**	**13.82**
Total other equity	**8,836.88**	**3,462.76**

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.

Notes to the Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

Financial liabilities

20. BORROWINGS

Non-current borrowings - At Amortised cost

Particulars		As at 31 March 2025	As at 31 March 2024
Secured:			
Redeemable Non-convertible debentures (Refer note below)		4,190.11	2,332.57
Less: Current maturities of long-term borrowings		(2,755.51)	(1,288.58)
		1,434.60	**1,043.99**
Term loans from banks (Refer note below):			
a)	HDFC Bank Limited	33.14	62.38
	Less: Current maturities of long-term borrowings	(15.91)	(29.25)
		17.23	**33.13**
Term loans from others (Refer note below):			
b)	Blacksoil Capital Private Limited	-	200.00
c)	Oxyzo Financial Services Private Limited	589.17	425.00
d)	Incred Financial Services Limited	38.13	71.23
e)	Northern Arc Capital Limited	500.00	500.00
f)	Poonawalla Fincorp Limited	500.00	-
	Less: Current maturities of long-term borrowings	(1,111.19)	(433.93)
		516.11	**762.30**
Vehicle loan:			
g)	BMW India Financial Services Private Limited	4.99	6.09
h)	Axis Bank Limited	1.88	-
	Less: Current maturities of long-term borrowings	(1.98)	(1.10)
		4.89	**4.99**
Unsecured:			
Liability component of Optionally Convertible Redeemable Preference Shares			
Nil OCRPS series E1 preference shares (as on 31 March 2024: 7,292 shares of ₹ 10 each) (Refer note 18 (c))		-	6.99
		-	**6.99**
Total (A)		**1,972.83**	**1,851.40**

Note:

The coupon rate for Redeemable Non-convertible debentures ranges from 12.50% p.a. to 14.50% p.a. (31 March 2025 - 11.25% p.a. to 14.95% p.a.) with a tenor of 18 to 36 months.

The rate of interest for term loans from banks is 7.90% p.a. (31 March 2024 - 7.25% p.a. to 7.50%) and loan from others is 11.25% p.a. to 13.50% p.a. (31 March 2024 - 13% p.a. to 14.35% p.a.) with a maturity period ranging from 12 to 36 months.

The rate of interest for vehicle loan is 7.99% p.a. to 9.55% p.a. (31 March 2024 - 7.99% p.a.) repayable monthly in 60 instalments.

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 in (a), (b), (c), (d), (e) and (f) 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

Notes to the Standalone Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

financial institutions/lenders for gold metal 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 loan mentioned in (g) and (h) above is secured against hypothecation of vehicles.

Current borrowings:

Particulars		As at 31 March 2025	As at 31 March 2024
Secured			
Redeemable Non-convertible debentures			
a)	Current maturities of long-term borrowings	2,755.51	1,288.58
		2,755.51	**1,288.58**
From banks (Refer note below):			
b)	Working capital loan	620.00	200.00
c)	Bank overdraft	108.76	-
d)	Current maturities of long-term borrowings	15.91	29.25
		744.67	**229.25**
From others (Refer note below):			
e)	Working capital loan	450.00	200.00
f)	Payable Financing	250.00	300.00
g)	Current maturities of long-term borrowings	1,111.19	433.93
		1,811.19	**933.93**
Vehicle loan			
h)	Current maturities of long-term borrowings	1.98	1.10
		1.98	**1.10**
Total (B)		**5,313.35**	**2,452.86**
Total (A+B)		**7,286.18**	**4,304.26**

Note:

The rate of interest for working capital loans from bank is 10.00% to 10.60% p.a. (31 March 2024 - 11.50%) and working capital loan from others is 12.00% p.a. to 13.50% p.a. (31 March 2024 - 13.00% p.a. to 13.75% p.a.) with a maturity period ranging from 180 days to 12 months.

The rate of interest for payable financing is 11.50% - 12.00% p.a. with a maturity period ranging from 90 to 120 days (31 March 2024 - 11.50% p.a. with a maturity period of 120 days).

The rate of interest for cash credit/overdraft is 10% - 10.70% p.a. (31 March 2024 - Nil).

Security:

The loan mentioned in (b) above is secured by way of first ranking pari passu hypothecation charge on all existing and future stocks and receivables and future moveable fixed assets of the Company.

The loan mentioned in (c) above is secured by way of pari-passu charge on all current assets and fixed assets of the Company.

The loan mentioned in (e) above is secured by way of first ranking pari passu charge on all existing and future fixed and current assets, other assets, inventory, receivables, rental deposits of the Company.

Notes to the Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

For 31 March 2025

The quarterly statements of book debts and inventories filed with the banks against the borrowings obtained by the Company are in agreement with the books of accounts.

For 31 March 2024

The quarterly statements of book debts and inventories filed with the banks against the borrowings obtained by the Company are in agreement with the books of accounts other than as below:

For the quarter ended	Sanctioned amount to which discrepancy relates to (in million)	Details of discrepancies					Remarks (including subsequent rectification, if any)
		Nature of current assets	Nature of discrepancy	Amount (in million)			
				Amount as per Quarterly returns and statements	As per unaudited books of accounts	Difference	
HDFC bank Limited and Kotak Mahindra bank Limited							**Creditors:** Only payables with respect to raw materials purchased are submitted to bank whereas, amount as per unaudited books of accounts consist of all trade payables including expenses. **Inventory, purchases and debtors:** On account of book closure entries. **Cash and cash equivalents:** Cash and cash equivalents includes cash balance, bank balances and fixed deposits with banks and NBFC's. (excluding lien marked FD's other than GML).
30-Jun-23	HDFC - 300 Kotak - 250	Inventory	Impact of book closure entries	3,622.57	3,581.69	40.88	
		Debtors		680.66	690.69	(10.03)	
		Creditors		221.42	945.11	(723.70)	
30-Sep-23		Inventory		3,377.62	3,284.10	93.52	
		Debtors		1,855.91	1,789.16	66.74	
		Creditors		755.76	1,457.03	(701.27)	
31-Dec-23		Inventory		5,097.24	5,165.55	(68.31)	
		Debtors		3,918.05	3,934.84	(16.79)	
		Creditors		1,318.76	1,798.59	(479.83)	
31-Mar-24		Inventory		5,491.22	5,977.88	(486.66)	
		Debtors		4,516.78	4,547.15	(30.37)	
		Creditors		1,475.83	2,290.53	(814.70)	
ICICI bank Limited							
30-Jun-23	300.00	Inventory	Impact of book closure entries	3,606.30	3,581.69	24.61	
		Debtors		771.20	690.69	80.51	
		Purchases		2,720.50	3,251.17	(530.67)	
		Cash and Cash Equivalent		2,834.30	3,186.37	(352.07)	
		Creditors		221.40	945.11	(723.71)	
30-Sep-23		Inventory		3,362.60	3,284.10	78.50	
		Debtors		1,887.40	1,789.16	98.24	
		Purchases		4,155.90	3,610.40	545.50	
		Cash and Cash Equivalent		6,183.10	6,276.04	(92.94)	
		Creditors		755.80	1,457.03	(701.23)	

Instances of default in payment of principal/interest as below:

There are no instances of default in payment of principal or interest for the year ended 31 March 2025.

Notes to the Standalone Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

During the year 31 March 2024, the Company had instances of default in payment of principal/interest as below:

Nature of Borrowing	Name of Lender	Amount not paid on due date during the year (in million)		No. of days delay or unpaid	Amount remaining unpaid as at 31 March 2024		Amount paid till the date of report		Remarks
		Principal	Interest		Principal	Interest	Principal	Interest	
Long Term Borrowing									
Due to Financial Institutions:	Stride Fintree Private Limited	-	0.59	31	-	-	-	-	Caused due to processing delays. Amount repaid with default interest.
Due to Financial Institutions:	Klub works private limited	10.00	0.88	8	-	-	-	-	The NACH facility was active however the lender presented the NACH after the due date. There was adequate balance available as on due date.
Due to Financial Institutions:	Capsave finance private limited	-	1.96	1	-	-	-	-	The NACH facility was active however the lender presented the NACH after the due date. There was adequate balance available as on due date.
Due to Financial Institutions:	Capsave finance private limited	-	0.06	3	-	-	-	-	The NACH facility was active however the lender presented the NACH after the due date. There was adequate balance available as on due date.
Due to Financial Institutions:	Capsave finance private limited	-	1.83	1	-	-	-	-	The NACH facility was active however the lender presented the NACH after the due date. There was adequate balance available as on due date.
Due to Financial Institutions:	BMW India Financial services private limited	0.09	0.02	1	-	-	-	-	The NACH facility was active however the lender presented the NACH after the due date. There was adequate balance available as on due date.
Due to Financial Institutions:	BMW India Financial services private limited	0.09	0.04	1	-	-	-	-	The NACH facility was active however the lender presented the NACH after the due date. There was adequate balance available as on due date.

21. LEASE LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
Non current		
Lease liabilities	7,051.07	4,301.18
Total	**7,051.07**	**4,301.18**

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Lease liabilities	943.06	588.06
Total	**943.06**	**588.06**

22. OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Deposit made by franchisee	143.31	325.10
Total	**143.31**	**325.10**

Notes to the Standalone financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

22. OTHER FINANCIAL LIABILITIES (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Interest accrued but not due on borrowings	14.43	12.61
Deposit made by franchisee	2,118.37	2,466.15
Payable to employees	92.05	24.45
Liabilities towards share based payment (Refer note no. 40)	-	24.87
Liabilities towards rights to subscribe shares (Refer note no. 48)	-	166.99
Liability towards Phantom options (Refer note no. 47)	-	7.53
Derivative instruments in designated hedge accounting relationship	77.78	-
Other liabilities	46.16	10.00
Total	**2,348.79**	**2,712.60**

23. PROVISIONS

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Provision for employee benefits		
Provision for gratuity (refer note 35)	35.44	22.83
Provision for compensated absence	-	11.10
Total	**35.44**	**33.93**

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Provision for employee benefits		
Provision for gratuity (refer note 35)	12.53	11.68
Provision for compensated absence	15.93	8.84
Total	**28.46**	**20.52**

24. GOLD ON LOAN

Particulars	As at 31 March 2025	As at 31 March 2024
Gold Metal Loan (Refer note below)	3,865.53	4,424.61
Total	**3,865.53**	**4,424.61**

Notes:

Represents amounts payable against gold purchased from various banks under gold on loan scheme with a interest rate of 2.50%-9.00% p.a. (31 March 2024 - 2.50%) 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, 16 and 17).

Notes to the Standalone Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

25. TRADE PAYABLES

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Total outstanding dues of micro enterprises and small enterprises	282.97	418.55
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,364.21	1,748.94
Total trade payables	**1,647.18**	**2,167.49**

Disclosure in respect of Micro and Small Enterprises:

Particulars		As at 31 March 2025	As at 31 March 2024
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting period		
	- Principal	282.97	418.55
	- 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 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**

Notes to the Standalone financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

Ageing as at 31 March 2025 (Contd.)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	<1 year	1-2 years	2-3 years	>3 years	
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**

Ageing as at 31 March 2024

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	-	271.98	146.57	-	-	-	**418.55**
Total outstanding dues of creditors other than micro enterprises and small enterprises	370.93	976.92	370.83	28.25	1.21	0.80	**1,748.94**
Disputed dues of micro, enterprises and small enterprises	-		-	-	-	-	-
Disputed dues of creditors other than micro, enterprises and small enterprises	-		-	-	-	-	-
Total	**370.93**	**1,248.90**	**517.40**	**28.25**	**1.21**	**0.80**	**2,167.49**

- There are no trade receivable which are not due.

26. OTHER LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Advance received from customers	272.85	99.72
Gold Mine Scheme	1,727.97	1,087.74
Capital creditors	173.06	65.20
Liability for sales return	105.73	66.20
Statutory dues payable	39.47	202.58
Gift vouchers	517.49	384.83
Other payables	27.14	9.18
Total	**2,863.71**	**1,915.45**

* The Company has recognised a refund liability for the Sales return from customers amounting to ₹ 105.73 million (31 March 2024: ₹ 66.20 million), which is in the normal course of business. The Company has also recognised a right to recover the returned goods ₹ 67.67 million (31 March 2024: ₹ 38.76 million). The costs to recover the products are not material because the customers usually return the product in a saleable condition.

Notes to the Standalone Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

27. REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products	17,700.02	12,658.39
Total revenue from operations	**17,700.02**	**12,658.39**

(A) Ind AS 115 - Revenue from contract with customers

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from contract with customers - Sale of products	17,700.02	12,658.39
Total revenue from operations	**17,700.02**	**12,658.39**
India	17,700.02	12,658.39
Outside India	-	-
Total revenue from operations	**17,700.02**	**12,658.39**
Timing of revenue operation		
At a point in time	17,700.02	12,658.39
Over a period of time	-	-
Total revenue from operations	**17,700.02**	**12,658.39**

(B) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Contracted price	25,122.22	17,411.81
Less: Reductions towards variable consideration components	(7,422.20)	(4,753.42)
Net consideration recognised as revenue	**17,700.02**	**12,658.39**

The reduction towards variable consideration comprises of scheme discounts, incentives, returns etc.

(C) Contract balances

Particulars	As at 31 March 2025	As at 31 March 2024
Contract assets		
Right to recover returned goods (refer note 11)	67.67	38.76
Contract liabilities (refer note 26)		
Liability for sales return	105.73	66.20
Gift voucher	517.49	384.83
Gold mine scheme	1,727.97	1,087.74
Advance from customers	272.85	99.72

Notes to the Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

28. OTHER INCOME

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on fixed deposits and others	350.63	250.58
Profit on sale of property plant and equipment (net)	-	19.43
Gain on mutual fund	39.31	
Liabilities no longer required written back	95.16	96.71
Fair value gain on call option in subsidiary (Refer note 53)	52.16	-
Unwinding of interest on financial assets carried at amortized cost	28.22	-
Gain on termination of lease	10.84	7.96
Rent waiver on lease liabilities	3.88	-
Miscellaneous income	18.98	1.84
Total other income	**599.18**	**376.52**

29. COST OF RAW MATERIALS CONSUMED

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Raw material consumed		
Inventory at the beginning of the year	1,992.69	837.54
Add: Purchases	17,514.34	13,501.86
Less: Inventory at the end of the year	2,291.68	1,992.69
Total consumption	**17,215.35**	**12,346.71**

30. CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventories at the end of the year		
Finished goods	13,787.66	7,894.09
Work-in-progress	347.86	10.97
Inventories at the beginning of the year		
Finished goods	7,894.09	3,013.82
Work-in-progress	10.97	87.94
Net change	**(6,230.46)**	**(4,803.30)**

31. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries and wages	1,358.27	980.58
Contribution to provident and other funds (Refer note 35)	42.17	33.69
Gratuity expenses (Refer note 35)	8.01	16.78
Expense on employee stock option scheme (Refer note 40)	512.39	292.58
Staff welfare expenses	101.59	60.62
Total employee benefits expense	**2,022.43**	**1,384.25**

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

32. FINANCE COSTS

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on:		
Term loans from banks and financial institutions	604.42	280.09
Debentures	460.26	289.70
Delayed payment of taxes	-	2.07
Franchisee deposit	464.09	488.87
Lease liabilities (refer note 4(c))	509.33	305.30
Other borrowing costs	37.32	10.68
Total finance costs	**2,075.42**	**1,376.71**

33. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of property, plant and equipment (refer note 3)	445.29	279.97
Amortization of other intangible assets (refer note 6a)	4.13	2.08
Depreciation of right to use assets (refer note 4(c))	1,025.33	670.61
Total depreciation and amortization expense	**1,474.75**	**952.66**

34. OTHER EXPENSES

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Power and fuel	176.07	110.10
Certification & hallmarking charges	70.63	76.14
Job work charges	251.12	374.91
Contract labour charges	620.67	249.02
Consumables	100.30	50.39
Security charges	76.03	44.47
Bank charges	5.76	3.39
Insurance	42.92	18.09
Repairs and maintenance		
- Buildings	93.33	60.68
Rates and taxes	41.26	45.48
Advertisement & marketing costs	1,591.66	1,242.30
Payment gateway charges	138.32	102.13
Shipping charges	89.95	74.77
Brokerage & commission	58.34	271.09
Printing & stationery expenses	49.49	37.09
Postage and courier charges	3.49	1.79
Software and web development charges	25.77	11.41
Recruitment charges	1.32	4.61
Bad debts written off	1.60	2.75
Less: Provision created in earlier years	(1.60)	-
Advances written off	-	25.02
Rent (refer note 4C)	20.22	36.13

Notes to the Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

34. OTHER EXPENSES (Contd.)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Legal and professional charges	133.74	100.88
Travelling and conveyance expenses	80.48	46.06
Technology & communication expenses	61.03	46.98
Auditors remuneration (refer note (a) below)*	3.48	2.35
Provision for doubtful debt and other receivables	-	1.20
Office maintenance	176.13	141.80
Loss on sale of property, plant and equipment	19.48	-
Miscellaneous expenses	2.86	19.22
Total other expenses	**3,933.85**	**3,200.24**

(a) Payment to Auditors

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
As auditor:		
Statutory audit	3.35	2.25
Reimbursement of expenses	0.13	0.10
Total	**3.48**	**2.35**

* Excludes fees paid to auditors amounting to ₹ 14.09 million (including reimbursement of expenses) and fees paid to erstwhile auditors ₹ 16.07 million (including reimbursement of expenses) for the year ended 31 March 2025 (31 March 2024 - Nil) in connection with the initial public offer of equity shares of the Company which has currently recognized under prepaid expenses (other current assets).

35. 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 2025	For the year ended 31 March 2024
Employer's Contribution to Provident Fund	41.68	33.01
Employer's Contribution to Employee State Insurance Corporation	0.49	0.68
Expense recognized during the year	**42.17**	**33.69**

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.

Notes to the Standalone Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

a) Reconciliation of the projected benefit obligations

Particulars	As at 31 March 2025	As at 31 March 2024
Change in projected benefit obligation:		
Obligations at beginning of the year	34.51	30.54
Service cost	5.56	14.50
Interest on defined benefit obligation	2.45	2.28
Benefits settled	(2.65)	(3.04)
Actuarial (gain)/loss	8.10	(9.77)
Obligations at the end of year	**47.97**	**34.51**
Reconciliation of present value of the obligation and the fair value of the plan assets:		
Closing obligations	47.97	34.51
Closing fair value of plan assets	-	-
Liability recognized in the balance sheet	**47.97**	**34.51**
Net liability:		
Non-current	35.44	22.83
Current	12.53	11.68

b) (i) Expense recognized in Statement of Profit and Loss:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Service cost	5.56	14.50
Interest cost	2.45	2.28
Net benefit paid	-	-
Net gratuity cost	**8.01**	**16.78**

(ii) Remeasurements recognized in Other Comprehensive Income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial loss/(gain) on defined benefit obligation		
Changes in demographic assumption	8.64	(22.86)
Changes in financial assumptions	0.39	13.16
Experience variance (i.e. Actual experience vs assumptions)	(0.93)	(0.07)
Actuarial loss/(gain) on defined benefit obligation	**8.10**	**(9.77)**

c) Defined benefit obligation - Actuarial assumptions

(i) Actuarial assumptions

Principal actuarial assumptions at the reporting date

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Discount rate	6.50%	7.10%
Salary escalation rate	10.00%	10.00%
Attrition rate:		
- Annual CTC below 10 lacs	49.00%	56.00%
- Annual CTC between 1 million to 3 million	33.00%	27.00%

Notes to the Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
- Annual CTC between 3 million and above	18.00%	17.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Retirement Age (years)	60	58

(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 2025		For the year ended 31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%)	46.28	49.77	33.38	35.74
Salary Growth Rate (-/+ 1%)	49.40	46.56	35.47	33.58
Attrition Rate (-/+ 50% of attrition rates)	40.91	61.61	31.09	42.19
Mortality Rate (-/+ 10% of mortality rates)	47.97	47.96	34.52	34.51

(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 2025	For the year ended 31 March 2024
1st following year	12.53	11.68
2nd to 5th year	31.84	20.48
6th to 10 years	12.38	8.80
More than 10 years	6.08	4.76

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.

36. INCOME TAXES

A. Amount recognized in Statement of Profit or Loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
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 2025	For the year ended 31 March 2024
Remeasurement of the net defined benefit liability/asset	-	-
Tax (expense)/benefit	**-**	**-**

Notes to the Standalone Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

C. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Loss before tax	(2,192.14)	(1,422.36)
Tax amount at the enacted income tax rate	25.17%	25.17%
Expected income tax expense at statutory tax rate	**-**	**-**
Income tax expense recognised in Statement of Profit and Loss	**-**	**-**

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 2025	As at 31 March 2024
Advance income tax and tax deducted at source	117.47	36.33
Provision for taxes	-	-
Net income tax asset/(liability) at the end of the year	**117.47**	**36.33**

E. Deferred tax assets/liabilities:

Movement of deferred tax assets/liabilities presented in the balance sheet

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax assets on:		
Provision for compensated absences, gratuity and other employee benefits	16.08	13.70
Excess of depreciation provided for in the books over the depreciation allowed under the Income tax laws	57.61	81.87
Lease liabilities (net of Right-to-use asset) under Ind AS 116	141.90	70.18
Brought forward losses of earlier years	1,514.38	1,250.82
Gross deferred tax assets	**1,729.97**	**1,416.57**
Net deferred tax liabilities/(assets)	**(1,729.97)**	**(1,416.57)**

In absence of reasonable certainty of taxable income in future years, during the year ended 31 March 2025 and 31 March 2024, the Company has not created deferred tax asset.

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. Roopa Hegde, Company Secretary (upto 14 April 2023) Ms. Jasmeet Saluja, Company Secretary (w.e.f. 19 March 2024) Mr. Vipin Sharma, Chief Merchandising Officer Mr. Sudeep Nagar, Chief Operating Officer
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)

Notes to the Standalone financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

A. Relationship (Contd.)

	Related Parties
Subsidiary	Ethereal House Private Limited
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. Sonia Gupta, Relative of Director
Mrs. Hemant Dahiya, Relative of Director
Mr. Pankaj Vermani, Relative of Director
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 2025	For the year ended 31 March 2024
Remuneration paid/accrued to KMP's and Directors		
Mr. Gaurav Singh Kushwaha	30.83	24.25
Mr. Rumit Dugar	14.79	14.48
Mr. Vipin Sharma	13.24	14.11
Mr. Sudeep Nagar	13.87	14.40
Ms. Roopa Hegde	-	0.02
Ms. Jasmeet Saluja	1.75	0.06
Mr. Rajesh Kumar Dahiya	1.70	-
Mr. Rohit Bhasin	1.75	-
Ms. Neha	1.80	-
Sitting fees		
Mr. Rajesh Kumar Dahiya	0.55	-
Mr. Rohit Bhasin	0.50	-
Ms. Neha	0.45	-
ESOP cash-settled		
Mr. Vipin Sharma	-	6.15
Mr. Sudeep Nagar	-	109.61
Equity shares issued under Rights issue		
Gaurav Singh Kushwaha	313.31	-
Equity shares issued under private placement		
Gaurav Singh Kushwaha	751.40	-
ESOP exercised*		
Mr. Rumit Dugar	61.22	-
Mr. Vipin Sharma	40.39	-
Mr. Sudeep Nagar	53.49	-

Notes to the Standalone Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

ii) Related party transactions (Contd.)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products		
Mr. Gaurav Singh Kushwaha	-	0.02
Mr. Vikram Gupta	0.01	0.09
Mr. Vipin Sharma	0.13	0.06
Mr. Sudeep Nagar	0.17	0.01
Mrs. Arpita Tomar	3.83	3.37
Mrs. Poonam Dugar	0.05	0.01
Ms. Neha	0.09	-
Ms. Mallika Dahiya	0.27	-
Mrs. Duhita Nath	3.19	-
Mrs. Shikha Parikh	1.78	0.09
Investment in Subsidiary		
Ethereal House Private Limited		
Equity shares	0.27	-
Compulsory convertible preference shares	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	For the year ended 31 March 2025	For the year ended 31 March 2024
Payables to KMP's		
Mr. Gaurav Singh Kushwaha	3.60	1.25
Mr. Rumit Dugar	0.96	0.48
Mr. Vipin Sharma	0.96	0.48
Mr. Sudeep Nagar	0.96	0.48
Ms. Jasmeet Saluja	0.09	0.06
Receivables from Directors		
Mrs. Duhita Nath	3.19	-

* ESOP exercised represents taxable amount.

Note:

(i) The Company has not written off or written back any related party balances.

(ii) 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 Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ 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 2025	For the year ended 31 March 2024
Loss after tax for calculating basic and diluted EPS	(2,192.14)	(1,422.36)
Weighted average number of shares (refer note below) (refer Note 18 (a))	27,799,051	18,151,940
Earnings per share		
- Basic (Rupees/share)	(78.86)	(78.36)
- Diluted (Rupees/share)	(78.86)	(78.36)

Note: The impact of potential conversion of preference shares and ESOP into equity is anti-dilutive in nature 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 2025	For the year ended 31 March 2024
Weighted average number of equity shares of ₹ 1 each used for calculation of basic and diluted earnings per share (Refer Note 18 (a))	27,799,051	18,151,940

39. 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.

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, and most recently amended and approved by shareholders in August 2024.

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 2025	For the year ended 31 March 2024
Outstanding at the beginning of the year	**2,446,853**	**1,894,796**
Options granted during the year	2,056,016	1,343,506
Options vested during the year	(903,797)	(774,012)

Notes to the Standalone Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

Employee stock options details as on the balance sheet date are as follows: (Contd.)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Options lapsed during the year	(50,403)	(17,437)
Outstanding at the end of the year	**3,548,669**	**2,446,853**
Weighted average exercise price per option	1.00	1.00

Reconciliation of vested options:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Outstanding at the beginning of the year	**2,981,752**	**2,662,775**
Options vested during the year	903,797	774,012
Options exercised/modified during the year*	(1,508,947)	(455,035)
Outstanding at the end of the year	**2,376,602**	**2,981,752**
Options exercisable at the end of the year	2,376,602	2,981,752

*During the previous year ended 31 March 2024, few employees requested to settle their rights to exercise the options in cash and the Company has accepted their request and settle their dues in cash instead of shares. The company had settled dues based on the fair value derived during the issue of series G CCPS. The incremental impact due to cash settlement is ₹ 218.51 per option.

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 3.61 years (31 March 2024 - 2.98 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 2025	For the year ended 31 March 2024
No of options granted	2,056,016	1,343,506
Date of grant	17-May-24 04-Jun-2024 01-Aug-24 27-Sep-24 27-Nov-24	01-Apr-2023 03-Apr-2023 26-Sep-2023 01-Jan-2024 02-Mar-2024
Vesting Period	4 to 7 years	4 years
Dividend yield (%)	0%	0%
Volatility rate (%)	41.57%	46.53%
Risk free rate	6.44%	7.18%
Expected life of options (years)	4 to 7 years	4
Weighted average fair value of option per share	540.29	313.89

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

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

41. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT

a) The carrying value and fair value of financial instruments by categories are as below:

Particulars	31 March 2025		31 March 2024	
	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss
Financial assets				
Investments				
- Mutual Fund	-	508.35	-	-
- Equity shares and Preference Shares	272.98	-	-	-
Loans	-	-	0.39	-
Trade receivables	56.06	-	23.77	-
Cash and cash equivalents	430.57	-	591.35	-
Bank balances other than above	1,341.18	-	473.61	-
Other financial assets	4,000.99	52.16	6,300.01	-
Total assets	**6,101.78**	**560.51**	**7,389.13**	**-**
Financial liabilities				
Borrowings	7,286.18	-	4,297.27	6.99
Gold on loan	-	3,865.53	-	4,424.61
Lease liabilities	7,994.13	-	4,889.24	-
Trade payables	1,647.18	-	2,167.49	-
Other financial liabilities	2,414.32	77.78	3,037.70	-
Total liabilities	**19,341.81**	**3,943.31**	**14,391.70**	**4,431.60**

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.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Notes to the Standalone Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

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 2025 and 31 March 2024.

Particulars	Date of valuation	Total	Level 1	Level 2	Level 3
FVTPL financial assets:					
Investments in Mutual Funds	As at 31 March 2025	508.35	508.35	-	-
Investments in Mutual Funds	As at 31 March 2024	-	-	-	-
Call Option – in Subsidiary	As at 31 March 2025	52.16	-	52.16	-
Call Option – in Subsidiary	As at 31 March 2024	-	-	-	-

Particulars	Date of valuation	Total	Level 1	Level 2	Level 3
FVTPL financial liabilities:					
Optionally convertible preference shares measured at FVTPL	As at 31 March 2025	-	-	-	-
Optionally convertible preference shares measured at FVTPL	As at 31 March 2024	6.99	-	-	6.99
Gold Metal Loan	As at 31 March 2025	3,865.53	3,865.53	-	-
Gold Metal Loan	As at 31 March 2024	4,424.61	4,424.61	-	-
Derivative instruments in designated hedge accounting relationship	As at 31 March 2025	77.78	77.78	-	-
Derivative instruments in designated hedge accounting relationship	As at 31 March 2024	-	-	-	-

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 2025 and 31 March 2024.

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 liability component of Optionally Convertible Preference Shares is included at the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

iii) 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 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).

Notes to the Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

(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.

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 2025	Fair value	8,861.49	370.00	3,278.75
31 March 2024	NA	-	-	-

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 31 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

Commodity Price Risk	Carrying value of as at 31st March 2024		Maturity date	Impact of fair value hedge	Balance Sheet Disclosure
	Hedged item	Hedging Instrument			
Hedged item - fixed Gold	-	-	-	-	NA
Hedging Instrument - Derivatives	-	-	-	-	NA

Notes to the Standalone Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

(b) Credit risk

Credit risk is the potential financial loss resulting from the failure of counterparties of the Company to settle its financial and contractual obligations, as and when they fall due.

The Company has an established process to evaluate the creditworthiness of its customers and prospective customers to minimize potential credit risk. Credit evaluations are performed by the Company before agreements are entered into with prospective customers.

The Company establishes an allowance amount for impairment that represents its estimate of losses in respect of trade and other receivables. The main component of this allowance is estimated losses that relate to Shop in Shop Customers. The allowance account is used to provide for impairment losses. Subsequently when the Company is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

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.

i) Expected credit loss (ECL) assessment for customers as at 31 March 2025 and 31 March 2024

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 2025	As at 31 March 2024
Gross carrying amount	56.06	25.37
Expected loss rate	0.00%	6.31%
Expected credit losses (Loss allowance provision)	-	1.60
Carrying amount of trade receivables (net of impairment)	**56.06**	**23.77**

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	1.60	-
Provision for expected credit loss	-	1.60
Provision for doubtful debt and other receivables	-	-
Write off of bad debts	(1.60)	-
Closing balance	**0.00**	**1.60**

ii) Cash and cash equivalents

The Company holds cash and cash equivalents of ₹ 430.57 million as at 31 March 2025 (31 March 2024 - ₹ 591.35 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.

Notes to the Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

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.

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 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	7,994.13	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**

Particulars	Carrying amount	Total	0–12 months	1–2 years	2–5 years	More than 5 years
As at 31 March 2024						
Loans and borrowings	4,304.26	4,304.26	2,452.86	1,605.05	239.36	6.99
Gold on loan	4,424.61	4,424.61	4,424.61	-	-	-
Lease liabilities	4,889.24	4,889.24	588.06	655.13	1,977.81	1,668.24
Trade and other payables	2,167.49	2,167.49	2,167.49	-	-	-
Other financial liabilities	3,037.69	3,037.69	2,712.60	285.10	40.00	-
	18,823.29	**18,823.29**	**12,345.61**	**2,545.28**	**2,257.17**	**1,675.23**

ii) Financing arrangement

The Company had ₹ 632.01 million (31 March 2024 - ₹ 650.00 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 functionally currency is Indian rupees (₹). 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 result's 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

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

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 2025 and 31 March 2024

Particulars	31 March 2025		31 March 2024	
	Foreign Currency	₹ in million	Foreign Currency	₹ in million
Financial liabilities				
Trade Payables:				
- US Dollars	-	-	0.05	3.29

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 2025	As at 31 March 2024
Variable-rate instruments	2,051.07	1,187.38
Total Borrowings	**2,051.07**	**1,187.38**

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 2025	(20.51)	20.51
Variable rate borrowings as at 31 March 2024	(11.87)	11.87

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 metal loan amounting to ₹ 3,865.53 million as at 31 March 2025 (31 March 2024 - ₹ 4,424.61 million).

43. 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.

Notes to the Standalone financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, including interest-bearing loans and borrowings 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 2025	As at 31 March 2024
Total borrowings	7,286.18	4,304.26
Less: Cash and cash equivalents (refer note 16)	326.40	591.35
Less: Deposits with bank*	788.76	453.68
Adjusted net debt	6,171.02	3,259.23
Total equity	9,133.44	3,741.72
Adjusted net debt to adjusted equity ratio	**0.68**	**0.87**

*Other than deposits given as security against gold loan and bank guarantee.

44. ANALYTICAL RATIOS

Ratio	Methodology	As at 31 March 2025	As at 31 March 2024	% change from 31 March 2024 to 31 March 2025	Explanation for the variance
a) Current Ratio	Current assets over current liabilities	1.24	0.94	33%	Movement due to increase in current assets during the year.
b) Debt - Equity Ratio	Debt(4) over total shareholders' equity	1.67	2.46	-32%	Movement due to increase in share capital (H Series) during the year.
c) Debt Service Coverage Ratio	EBIT (1) over debt	(0.01)	(0.00)	54%	Movement due to increase in losses and borrowings
d) Return on Equity Ratio	PAT (3) over total average equity	-34.05%	-94.09%	64%	Movement due to increase in share capital (H Series) during the year.
e) Inventory Turnover Ratio	Cost of goods sold over average inventory	0.83	1.09	-24%	NA - as the variance is less than 25%
f) Trade receivables turnover ratio	Revenue from operations over average trade receivables	443.48	735.86	-40%	Decrease on account of increase in trade receivables
g) Trade payables turnover ratio	Net credit purchases(5) over average trade payables	7.82	7.28	7%	NA - as the variance is less than 25%
h) Net Capital Turnover Ratio	Revenue from operations over average working capital	10.99	(16.30)	167%	Movement on account of increase in inventory
i) Net Profit Ratio	Net profit over revenue	-12.38%	-11.24%	-10%	NA - as the variance is less than 25%
j) Return on Capital Employed	PBIT (2) over average capital employed(6)	-0.95%	-0.95%	0%	NA - as the variance is less than 25%
k) Return on Investment	Profit before tax over total assets	-6.20%	-5.80%	-7%	NA - as the variance is less than 25%

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 2025 (All amounts are in ₹ million unless otherwise stated)

45. RELATIONSHIP WITH STRUCK OFF COMPANIES

31 March 2025

There are no transactions with the struck off companies during the year ended 31 March 2025.

31 March 2024

Name of struck off company	Nature of transactions with the struck-off company	Balance outstanding	Relationship with the struck off company, if any, to be disclosed
Sausha R&D Private Limited	Payable	0.60	Nil(1)
Nova Technosys Private Limited	Payable	0.03	Nil(2)

1) During the financial year 2023-2024, the Company made purchases of ₹ 0.05 million, which was settled during the year and the opening balance remains outstanding as at year end.

2) There were no transactions made during the financial year 2023-2024, the opening balance remains outstanding as at year end.

46. OPERATING SEGMENTS

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 2.17.

The information relating to revenue from external customers has been disclosed as given below:

Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Domestic	17,700.02	12,658.39
Export	-	-
Total	**17,700.02**	**12,658.39**

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. PHANTOM OPTION SCHEME

During the year 2016-17, the scheme titled "BlueStone Jewellery and Lifestyle Private Limited - Phantom Option Scheme 2016" (POS 2016) was approved by the Board of Directors.

The objective of the POS 2016 is to reward the former employees and non-employee associates for their contribution. Under the scheme, the Company had granted 109,715 options to former employees and non-employee associates. During the year ended 31 March 2023, Board of directors had approved settlement by liquidating all of the outstanding options granted under the Phantom Options scheme for cash at a liquidation price of ₹ 2,453.55 per option.

Out of total liability, during the year ended 31 March 2024, the Company had paid ₹ 261.55 million and the balance amount is paid by the company during the year ended 31 March 2025 against liability towards Phantom options.

Notes to the Standalone financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

48. InnoVen Capital India Private Limited ("InnoVen") had granted loans to the Company. In connection with the Loan Agreements, the Company has entered into the agreement with InnoVen thereby InnoVen has right to subscribe (RTS) 64,967 shares of the Company. The Company and InnoVen has mutually decided to terminate the RTS agreement against the settlement amount of ₹ 154.62 million.

During the year ended 31 March 2024, Company has discharged its liability towards right to subscribe shares.

49. COMMITMENTS AND CONTINGENCIES

Commitments

Estimated amount of Contracts remaining to be executed on capital account (net of advances) is ₹ 248.30 million (31 March 2024 - ₹ 212.83 million).

Contingent liabilities

As of the 31 March 2025 and 31 March 2024, the Company has assessed its obligations and confirms that there are no contingent liabilities requiring disclosure.

50. 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.

(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 2024	Movement during the period	As at 31 March 2025
Inter-corporate deposits								
Stride One Capital Private Limited	Others	Unsecured	ICD against vendor financing	9.00%	12 months	75.00	(75.00)	-
Blacksoil Capital Private Limited	Others	Unsecured	ICD against vendor financing	7.00%	12 months	-	31.25	31.25
Capsave Finance Private Limited	Others	Unsecured	FD lien against WCDL	NA	12 months	20.00	-	20.00

Notes to the Standalone Financial Statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

Name of the entity	Nature of relationship	Purpose	As at 1 April 2024	Investment made during the period	Investment sold/ impaired during the year	As at 31 March 2025
Investments						
Ethereal House Private Limited	Subsidiary	Strategic investment	-	167.98		167.98
Redefine Fashion Private Limited	Associate	Strategic investment	-	105.00		105.00

51. AUDIT TRAIL COMPLIANCE

The Company has used certain accounting software(s) 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 relevant transactions recorded in the software. Further, there were no instance of audit trail feature being tampered with at application level. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention for application level.

However, with respect to the database level for the said software(s) which has been managed and maintained by a third-party service provider (Microsoft Azure and AWS), the management is not in possession of an examination report to determine whether the audit trail feature of the said software was enabled and operated throughout the year at database level.

The Company has used certain accounting software(s) (maintained by third-party service provider) for maintaining its books of account, which has a feature of recording audit trail (edit log) facility as conformed by the service provider, however, the management is not in possession of the examination report to assess whether the audit trail feature for the said software(s) was enable and operated throughout the year at application and database level.

52. MAINTENANCE OF BOOKS OF ACCOUNTS ON SERVER IN INDIA

As per the MCA notification dated 05 August 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all times. Also, the Companies are required to maintain such back-up of accounts on servers which are physically located in India, on a daily basis. The books of account along with other relevant records and papers of the Company are currently maintained in electronic mode. These are readily accessible in India at all times and back-up is maintained on a daily basis on servers located in India, in order to comply with the requirements of the above notification.

53. FAIR VALUE OF CONTINGENT CALL OPTIONS

As at 31 March 2025, 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.

Valuation Methodology

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.

Accounting Treatment

The fair value of ₹ 52.16 million (31 March 2024: ₹ Nil) 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. ESOP TRUST AND TREASURY SHARES

The Company has categorized 3,223,260 equity shares held by BlueStone Trust (formerly known as BlueStone Jewellery and Lifestyle Limited Management Stock Transfer trust) as 'treasury shares' in compliance with applicable Indian Accounting Standards. As of 31 March 2025, the Trust has transferred all of its holdings to its employees and its beneficiaries and no longer possesses any shares in the Company.

55. INVESTMENT IN SUBSIDIARY AND ASSOCIATE:

During the year under purview, the Company had acquired 100 fully paid equity shares of ₹ 10 each and 61,567 fully paid compulsory covertible preference shares of ₹ 10 each of Ethereal House Private

Notes to the Standalone financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

Limited (EHPL) on a premium of ₹ 2,714 per share aggregating to total consideration of ₹ 167.98 million on a preferential basis pursuant to the Shares Subscription Agreement dated 06 January 2025 ("Agreement").

Also, the Company had acquired 100 fully paid equity shares of ₹ 1 each and 170,526 fully paid compulsory covertible preference shares of ₹ 1 each of Redefine Fashion Private Limited on a premium of ₹ 614.38 per share aggregating to total consideration of ₹ 105.00 million on a preferential basis pursuant to the Shares Subscription Agreement dated 11 November 2024 ("Agreement").

56. EVENTS AFTER THE REPORTING PERIOD

The Company evaluated all events or transactions that occurred after 31 March 2025 up through 24 April 2025, 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.

57. 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
Chartered Accountants
Firm registration number: 105047W

Ankush Agrawal
Partner
Membership No.: 159694

Place: Bangalore
Date: 24 April 2025

For and on behalf of Board of Directors of
BlueStone Jewellery and Lifestyle Limited
CIN: U72900KA2011PLC059678

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 24 April 2025

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 24 April 2025

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 24 April 2025

Jasmeet Saluja
Company Secretary
Membership No.: 46206

Place: Mumbai
Date: 24 April 2025

Independent Auditor's Report

To the Members of BlueStone Jewellery and Lifestyle Limited (formerly known as BlueStone Jewellery and Lifestyle Private Limited)

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **BlueStone Jewellery and Lifestyle Limited** (formerly known as BlueStone Jewellery and Lifestyle Limited) (hereinafter referred to as the "Holding Company") and its subsidiary (together referred to as the " Group"), and its associate which comprise the Consolidated Balance Sheet as at 31 March 2025, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for 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 the consolidated state of affairs of the Group and its associate as at 31 March 2025, and of its consolidated loss (including other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year then ended.

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.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

RESPONSIBILITIES OF BOARD OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is 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 changes in equity and consolidated cash flows of the Group including and associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and associate 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 Management and Board of Directors of the companies included in the Group and associate are responsible for assessing the ability of the Group and 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and associate are responsible for overseeing the financial reporting process of each company.

AUDITORS' 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 Standards on Auditing ("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 relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except for not complying with the requirement of audit trail as stated in 1(h)(vi) below.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow 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 Accounting Standards 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 31 March 2025 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 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. The reservation 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)(iv) 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 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Group and its associate does not have any pending litigations which would impact its financial position.

      ii. The Group and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary and associate company incorporated in India.

iv. (1) The respective Managements of the Holding Company, its subsidiary and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of their knowledge and belief, 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 with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties 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 associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) 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, to the best of their knowledge and belief, 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 with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, 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.

(3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, and according to the information and explanations provided to us by the Management of the Holding Company 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) as provided under (1) and (2) above, contain any material mis-statement.

v. The Holding Company, its subsidiary and associate company incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

vi. In respect of Holding Company:

i. Based on examination which included test checks, the Company has used certain accounting software(s) for maintaining its books of account (managed and maintained by a third-party software service provider) which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that we are unable to comment on audit trail at database level due to absence of SOC I Type II report, as explained in Note 52 to the consolidated financial statements.

Further, the Company migrated to a new accounting software on October 1, 2024 for maintaining its books of account (managed and maintained by a third-party software service provider), which has a feature of recording audit trail (edit log) facility except that we are unable to comment on audit trail at database level due to absence of adequate coverage in SOC 1 Type II report, as explained in Note 52 to the consolidated financial statements.

Further, except for above, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with except for above. Additionally, the audit trail of prior year 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.

Based on our examination which included test checks, the Company has used certain accounting software(s) for maintaining its books of accounts, which is managed and maintained by a third-party software service provider as explained in note 52 to the consolidated financial statements. However, in absence of sufficient and appropriate audit evidence including SOC I Type II report we are unable to comment whether the accounting software 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 year(s) 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.

In respect of subsidiary company:

ii. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which do not have a feature of recording audit trail (edit log) facility as explained in Note 52 to the consolidated financial statements. Accordingly, we are unable to comment whether the audit trail feature has been tampered with. The audit trail of prior year is not applicable to the Company, as per the statutory requirements for record retention prescribed under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as, the Company is incorporated in the financial year 31 March 2025.

In respect of associate company:

iii. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account, as explained in Note 52 to the consolidated financial statements. However, in the absence of sufficient and appropriate audit evidence, we are unable to comment whether the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, or whether the audit trail feature has been operated throughout the period August 12, 2024 to 31 March 2025 for all relevant transaction recorded in the software or whether there is any instance of audit trail feature being tampered with. The audit trail of prior year is not applicable to the Company, as per the statutory requirements for record retention prescribed under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as, the Company is incorporated in the financial year 31 March 2025.

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Holding Company, to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder except in case of a subsidiary and associate, as the provisions of the aforesaid section is not applicable to private companies.

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and on consideration of CARO reports issued by the statutory auditors of the subsidiary company included in the consolidated financial statements of the Group to which reporting under CARO is applicable, we report that there are no qualifications/adverse remarks.

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

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 25159694BMLWGU2463

Place: Bengaluru
Date: April 24, 2025

"Annexure B"

To the Independent Auditor's Report on even date on the Consolidated Financial Statements of BlueStone Jewellery and Lifestyle Limited (formerly known as BlueStone Jewellery and Lifestyle Private Limited)

[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of BlueStone Jewellery and Lifestyle Limited on the consolidated Financial Statements for the year ended 31 March 2025]

Report on the Internal Financial Controls 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 **BlueStone Jewellery and Lifestyle Limited** (formerly known as BlueStone Jewellery and Lifestyle Limited) (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2025, we have audited the internal financial controls reference to consolidated financial statements of the Holding Company which includes the internal financial controls over financial reporting of the Holding Company and its subsidiary company (the Holding Company and its subsidiary together referred to as "the Group") which is a company incorporated in India, as of that date.

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 Holding Company and its subsidiary company, which is a company incorporated in India, 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 31 March 2025, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

MANAGEMENT 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 company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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 Holding Company and its subsidiary company which is a company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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. 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 Holding Company and its subsidiary company, which is a company incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated 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 consolidated 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 consolidated 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**
Chartered Accountants
ICAI Firm Registration No. 105047W

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 25159694BMLWGU2463

Place: Bengaluru
Date: April 24, 2025

(All amounts are in ₹ million unless otherwise stated)

Consolidated Balance Sheet

As at 31 March 2025

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
Assets			
Non-current assets			
Property, plant and equipment	3	2,659.88	1,238.25
Right-of-use assets	4	7,432.77	4,610.36
Capital work-in-progress	5	43.57	166.64
Other intangible assets	6a	36.81	1.91
Intangible asset under development	6b	10.28	-
Investments accounted for using the equity method	7	85.56	-
Financial assets			
i) Other financial assets	8	2,123.00	4,106.05
Non-current tax assets (net)	9	117.47	36.33
Deferred tax assets (net)	10	-	-
Other non-current assets	11	1,516.02	1,001.77
Total non-current assets		**14,025.36**	**11,161.31**
Current assets			
Inventories	12	16,525.47	9,912.21
Financial assets			
i) Investments	13	508.35	-
ii) Loans	14	-	0.39
iii) Trade receivables	15	56.06	23.77
iv) Cash and cash equivalents	16	487.75	591.35
v) Bank balances other than (iv) above	17	1,381.18	473.61
vi) Other financial assets	8	1,993.89	2,193.96
Other current assets	11	344.75	178.32
Total current assets		**21,297.45**	**13,373.61**
Total assets		**35,322.81**	**24,534.92**
Equity and liabilities			
Equity			
Equity share capital	18	296.56	278.95
Other equity	19	8,771.18	3,462.77
Equity attributable to the owners of the parent		**9,067.74**	**3,741.72**
Non-Controlling Interest	51	39.66	-
Total equity		**9,107.40**	**3,741.72**
Non-current liabilities			
Financial liabilities			
i) Borrowings	20	1,972.83	1,851.40
ii) Lease liabilities	21	7,052.70	4,301.18
iii) Other financial liabilities	22	143.31	325.10
Provisions	23	35.44	33.93
Total non-current liabilities			
Current liabilities		**9,204.28**	**6,511.61**
Financial liabilities			
i) Borrowings	20	5,313.35	2,452.86
ii) Gold on loan	24	3,865.53	4,424.61
iii) Lease liabilities	21	943.79	588.06
iv) Trade payables	25		
(a) Total outstanding dues of micro enterprises and small enterprises		282.97	418.55
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,364.38	1,748.94
v) Other financial liabilities	22	2,348.79	2,712.60
Provisions	23	28.46	20.52
Other current liabilities	26	2,863.86	1,915.45
Total current liabilities		**17,011.13**	**14,281.59**
Total liabilities		**26,215.41**	**20,793.20**
Total equity and liabilities		**35,322.81**	**24,534.92**

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
Chartered Accountants
Firm registration number: 105047W

Ankush Agrawal
Partner
Membership No.: 159694

Place: Bangalore
Date: 24 April 2025

For and on behalf of Board of Directors of
BlueStone Jewellery and Lifestyle Limited
CIN: U72900KA2011PLC059678

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 24 April 2025

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 24 April 2025

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 24 April 2025

Jasmeet Saluja
Company Secretary
Membership No: 46206

Place: Mumbai
Date: 24 April 2025

(All amounts are in ₹ million unless otherwise stated)

Consolidated Statement of Profit and Loss

For the year ended 31 March 2025

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	27	17,700.02	12,658.39
Other income	28	600.34	376.52
Total income		**18,300.36**	**13,034.91**
Expenses			
Cost of raw materials consumed	29	17,215.35	12,346.71
Change in inventories of finished goods, work-in-progress and stock-in-trade	30	(6,230.46)	(4,803.30)
Employee benefits expense	31	2,026.02	1,384.25
Finance costs	32	2,075.45	1,376.71
Depreciation and amortization expense	33	1,474.89	952.66
Other expenses	34	3,938.04	3,200.24
Total expenses		**20,499.29**	**14,457.27**
Loss before share of profit/(loss) of an investments accounted for using the equity method and tax		**(2,198.93)**	**(1,422.36)**
Share of loss of investments accounted for using the equity method	51	(19.44)	-
Loss before tax		**(2,218.37)**	**(1,422.36)**
Tax expenses:			
Current tax	36	-	-
Deferred tax	36	-	-
Total tax expenses		**-**	**-**
Loss for the year	**A**	**(2,218.37)**	**(1,422.36)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
i. Re-measurement of employee defined benefit plans	35	(8.10)	9.77
ii. Income tax on (i) above	36	-	-
Net other comprehensive (loss)/income for the year, net of tax	**B**	**(8.10)**	**9.77**
Total comprehensive loss for the year	**A+B**	**(2,226.47)**	**(1,412.59)**
Profit/(Loss) attributable to:			
Owners of the Parent		(2,216.69)	(1,422.36)
Non-Controlling Interest		(1.68)	-
		(2,218.37)	**(1,422.36)**
Other comprehensive income attributable to:			
Owners of the Parent		(8.10)	9.77
Non-Controlling Interest		-	-
		(8.10)	**9.77**
Total comprehensive income attributable to:			
Owners of the Parent		(2,224.79)	(1,412.59)
Non-Controlling Interest		(1.68)	-
		(2,226.47)	**(1,412.59)**
Earnings per share (in ₹) (Nominal value of ₹ 1 each)			
Basic	38	(79.74)	(78.36)
Diluted	38	(79.74)	(78.36)

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
Chartered Accountants
Firm registration number: 105047W

Ankush Agrawal
Partner
Membership No.: 159694

Place: Bangalore
Date: 24 April 2025

For and on behalf of Board of Directors of
BlueStone Jewellery and Lifestyle Limited
CIN: U72900KA2011PLC059678

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 24 April 2025

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 24 April 2025

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 24 April 2025

Jasmeet Saluja
Company Secretary
Membership No: 46206

Place: Mumbai
Date: 24 April 2025

(All amounts are in ₹ million unless otherwise stated)

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 1 each, fully paid up

	Note	Number	Amount
As at 31 March 2023		**18,151,940**	**18.16**
Changes in equity share capital during the year	18	-	-
As at 31 March 2024		**18,151,940**	**18.16**
Changes in equity share capital during the year	18	17,083,060	17.08
As at 31 March 2025		**35,235,000**	**35.24**

Preference shares of ₹ 10 each, fully paid up

	Note	Number	Amount
As at 31 March 2023		**7,413,747**	**74.13**
Changes in preference share capital during the year	18	18,665,355	186.65
As at 31 March 2024		**26,079,102**	**260.78**
Changes in preference share capital during the year	18	(984,790)	(9.84)
As at 31 March 2025		**25,094,312**	**250.94**

Preference shares of ₹ 1 each, fully paid up

	Note	Number	Amount
As at 31 March 2023		**-**	**-**
Changes in preference share capital during the year	18	-	-
As at 31 March 2024		**-**	**-**
Changes in preference share capital during the year	18	10,380,622	10.38
As at 31 March 2025		**10,380,622**	**10.38**
Total Share capital as at 31 March 2025		**70,709,934.00**	**296.56**

B. OTHER EQUITY

Particulars	Reserves and surplus			Other comprehensive income	Total other equity	Non-controlling interest	Total other equity
	Securities premium	Retained earnings	Share options outstanding account	Re-measurement of (gain)/loss			
As at 1 April 2023	**19,530.55**	**(20,748.50)**	**403.34**	**4.05**	**(810.55)**	**-**	**(810.55)**
Loss for the year	-	(1,422.36)	-	-	(1,422.36)	-	(1,422.36)
Other comprehensive income (net of tax)	-	-	-	9.77	9.77	-	9.77
Premium received on issue of shares	5,690.88	-	-	-	5,690.88	-	5,690.88
Options granted during the year (net)	-	-	149.65	-	149.65	-	149.65
Change in fair value of Equity on termination of Right to subscribe shares (Refer note no. 48)	-	(154.62)	-	-	(154.62)	-	(154.62)
	5,690.88	**(1,576.98)**	**149.65**	**9.77**	**4,273.32**	**-**	**4,273.32**
As at 31 March 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

(All amounts are in ₹ million unless otherwise stated)

B. OTHER EQUITY (Contd.)

Particulars	Reserves and surplus			Other comprehensive income	Total other equity	Non-controlling interest	Total other equity
	Securities premium	Retained earnings	Share options outstanding account	Re-measurement of (gain)/loss			
Options granted during the year (net of exercised)	-	-	344.48	-	344.48	-	344.48
Conversion of compulsorily convertible preference shares to Equity (Refer note 18(c))	8.86	-	-	-	8.86	-	8.86
Conversion of optionally convertible redeemable preference shares as equity (Refer note 18(c))	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**

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
Chartered Accountants
Firm registration number: 105047W

For and on behalf of Board of Directors of
BlueStone Jewellery and Lifestyle Limited
CIN: U72900KA2011PLC059678

Ankush Agrawal
Partner
Membership No.: 159694

Place: Bangalore
Date: 24 April 2025

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 24 April 2025

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 24 April 2025

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 24 April 2025

Jasmeet Saluja
Company Secretary
Membership No: 46206

Place: Mumbai
Date: 24 April 2025

(All amounts are in ₹ million unless otherwise stated)

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
A. Cash flows from operating activities		
Loss before tax	**(2,218.37)**	**(1,422.36)**
Adjustments for non cash items and other adjustments:		
Depreciation and amortisation	1,474.89	952.66
Expense on employee stock option scheme	512.39	292.58
Finance costs	2,038.13	1,366.03
Share of loss of Associate	19.44	-
Interest income	(351.78)	(250.58)
(Profit)/Loss on sale of property, plant and equipment (net)	19.48	(19.43)
Rent waiver on lease liabilities	(3.88)	-
(Gain) on mutual fund	(39.31)	-
Liabilities no longer required written back	(95.16)	(96.71)
Gain on termination of lease	(10.84)	(7.96)
Fair value gain on call option – subsidiary	(52.16)	-
Unwinding of interest on financial assets carried at amortised cost	(28.23)	-
Operating profit before working capital changes	**1,264.60**	**818.18**
Working capital adjustments:		
Decrease/(Increase) in other financial assets	216.35	(520.42)
Increase in other assets	(723.34)	(319.12)
Increase in inventories	(6,613.26)	(5,959.04)
Decrease in loans	0.39	11.68
Increase in trade receivables	(32.29)	(17.07)
Decrease in other financial liabilities	(547.42)	(320.50)
Increase in provisions	1.35	15.21
(Decrease)/Increase in gold on loan	(559.08)	2,212.19
(Decrease)/Increase in trade payables	(424.98)	1,480.43
Increase in other current liabilities	840.55	810.43
Cash used in operations	**(6,577.13)**	**(1,788.03)**
Income tax paid (net)	(81.14)	(23.61)
Net cash used in operating activities (A)	**(6,658.28)**	**(1,811.64)**
B. Cash flows from investing activities		
Acquisition of property, plant and equipment (including capital work-in-progress and capital advances)	(1,630.88)	(989.08)
Proceeds from sale of property, plant and equipment	7.80	172.34
Acquisition of intangible assets	(39.03)	-
Payment for acquisition of associate	(105.00)	-
Investment in fixed deposits	(6,117.20)	-
Redemption of fixed deposits	7,141.32	(3,276.26)
Investment in mutual funds	(3,395.00)	-
Redemption of mutual funds	2,925.96	-
Interest received on fixed deposits	369.70	276.52
Net cash used in investing activities (B)	**(842.33)**	**(3,816.48)**
C. Cash flows from financing activities		
Proceeds from issue of equity shares	1,092.97	-
Proceeds from issue of preference shares	5,978.39	5,877.53
Proceeds from borrowings (Refer note b(i) below)	8,254.26	4,393.28
Repayment of borrowings (Refer note b(i) below)	(5,272.34)	(2,373.20)
Interest paid (Refer note b(i) below)	(1,526.95)	(1,056.65)
Settlement of cash settled ESOP liability	-	(117.96)
Repayment of lease liabilities (Refer note b(iii) below)	(1,129.32)	(774.53)
Net cash generated from financing activities (C)	**7,397.01**	**5,948.47**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(103.60)**	**320.35**
Cash and cash equivalents at the beginning of the year	591.35	271.00
Cash and cash equivalents at the end of the year (Note no. 16)	**487.75**	**591.35**

(All amounts are in ₹ million unless otherwise stated)

Notes:

(a) Above Cash Flow 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 2023	Non-cash changes			Cash flows	31 March 2024
			Fair value changes/ Adjustments	Finance cost accrued during the year	Additions (Net)		
i)	Borrowings (including interest)	2,277.20	-	1,056.65	-	963.43	4,297.27
ii)	Preference shares classified as financial liability	-	-	-	-	-	-
iii)	Lease liabilities	3,729.31	-	305.30	1,629.16	(774.53)	4,889.24
iv)	Issue of Preference shares	-	-	-	-	5,877.53	-
v)	Issue of Equity shares	-	-	-	-	-	-

	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)	Preference shares classified as financial liability	-	-	-	-	-	-
iii)	Lease liabilities	4,889.24	(3.88)	509.36	3,731.09	(1,129.32)	7,996.49
iv)	Issue of Preference shares	-	-	-	-	5,978.39	-
v)	Issue of Equity shares	-	-	-	-	1,092.97	-

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
Chartered Accountants
Firm registration number: 105047W

For and on behalf of Board of Directors of
BlueStone Jewellery and Lifestyle Limited
CIN: U72900KA2011PLC059678

Ankush Agrawal
Partner
Membership No.: 159694

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Bangalore
Date: 24 April 2025

Place: Bangalore
Date: 24 April 2025

Place: Mumbai
Date: 24 April 2025

Rumit Dugar
Chief Financial Officer

Jasmeet Saluja
Company Secretary
Membership No: 46206

Place: Bangalore
Date: 24 April 2025

Place: Mumbai
Date: 24 April 2025

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1. GENERAL INFORMATION

BlueStone Jewellery and Lifestyle Limited (formerly known as 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 limited company having its registered office in Bangalore, India. The Group is engaged in design, manufacture, trading and sale of fine jewellery. The Company carries on its business under the brand name of "BlueStone".

The consolidated financial statements comprise the financial statements of the Group and it's Associate as at and for the year ended 31 March 2025.

The Company was duly converted to a public limited company i.e., BlueStone Jewellery and Lifestyle Limited from a private limited company i.e., BlueStone Jewellery and Lifestyle Private Limited w.e.f. 08 November 2024 and accordingly the corporate identification number (CIN) was changed to U72900KA2011PLC059678.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

(i) 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 24 April 2025.

(ii) 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.

(iii) 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.

(iv) Going Concern

The Group and its associate has incurred a loss of ₹ 2,218.37 million for the year ended 31 March, 2025 and has accumulated losses of ₹ 24,583.31 million as at 31 March 2025.

Notwithstanding the above, the Group's net current assets exceed its net current liabilities by ₹ 4,286.32 million as at 31 March 2025. During the year ended 31 March 2025, the Group has raised compulsorily convertible preference shares ("CCPS") for a consideration of ₹ 7,091.46 million to meet its long and short- term objectives. Further, the Management has assessed it has successfully able to grow revenue from the existing stores over the years with significant new stores additions which has resulted in improved margins and increased revenue, which it expects to continue in near future. Also, regulatory approval on its draft red herring prospectus for its IPO and strategic expansion plans which would lead to increased revenue over the coming years, provide a basis for the Group to prepare its consolidated financial statements on a going concern basis.

(v) 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 2025 is included in the following notes:

a) Estimation of current tax/deferred tax expenses and payable - Point 2.12 of Material Accounting Policies

b) Estimation of defined benefit obligation - Point 2.9 of Material Accounting Policies

c) Estimation of useful lives, residual values of property, plant & equipment - Point 2.2 of Material Accounting Policies

d) Fair value measurement of financial instruments - Point 2.11 of Material Accounting Policies

e) Leases - Whether an arrangement contains a lease - Point 2.5 of Material Accounting Policies

f) Fair value of employee stock option plans - Point 2.10 of Material Accounting Policies

g) Impairment testing of property, plant & equipment and Right-to-use assets - Point 2.4 of Material Accounting Policies

h) Estimation of fair value of call option - refer note 54

i) Derivative instruments in designated hedge accounting relationship - Point 2.11 of Material Accounting Policies

(vi) Measurement of fair values

A number of 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.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(vii) 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.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

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.

(viii) 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 2025.

As it is the first year of preparation of consolidated financial statements, for the purposes of comparative financial information, the entity has presented standalone financial statements for the year ended 31 March 2024.

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 Information. The carrying amount of the parent's investment in subsidiary and the parent's portion of equity of subsidiary has been eliminated. The accounting policies of subsidiary have been harmonised to ensure consistency with the policies adopted by the Holding Company.

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 2025*
Ethereal House Private Limited	India	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 2025*
Redefine Fashion Private Limited	India	51.19%

* on dilutive basis

(ix) 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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

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-by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus 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.

2.2 Property, plant and equipment

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 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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

Asset category	Management estimate of useful life	Useful life as per Schedule II
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.

2.3 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 realibly, 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.

2.4 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.

2.5 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.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

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.

2.6 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) Raw materials are valued at weighted average except Solitaires which is valued on specific identification basis.

b) Work-in-progress and finished goods (other than gold) are valued at weighted average cost of production.

c) Gold is valued on First-in-First-out basis.

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.

2.7 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.

2.8 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 performance obligations in the contracts are fulfilled based on various customer terms including at the time of delivery of goods or upon dispatch based on various distribution channels.

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 26) and right to recover returned goods is included in other current assets (note 11). The Group reviews its estimate of expected returns at each reporting date and updates the amounts of the assets and liability accordingly.

Interest income is recognized on a time proportion basis, taking into account the amount outstanding and the rate applicable.

(b) Gift vouchers:

The amount collected on sale of a gift voucher is recognized as a liability and transferred to revenue (sales) on redemption by the customers or is transferred to other income on expiry as per the policy.

2.9 Employee benefits

(i) Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(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.

(iv) Compensated absences

The Group 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 provided to an employee upon their departure from the company, based on a specified number of unused leaves from their carried-forward balance. 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 2025

In the earlier years, the Company has leave encashment policy in the form of compensated absence which is considered as a long-term benefit and accordingly the provision has been created based on actuarial valuation.

2.10 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.

2.11 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

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on receivables and unbilled revenues. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12 month ECL.

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.

ECL impairment loss allowance (or reversal) is recognised as an income/expense in the statement of profit and loss during the period.

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.

(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.

2.12 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax is calculated on the basis of the tax rates and the tax laws enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions or make reversals of provisions made in earlier years, where appropriate, on the basis of amounts expected to be paid to/received from the tax authorities.

Deferred tax is recognized for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets and liabilities and the deferred tax balances relate to the same taxable authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.13 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.

2.14 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.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

2.15 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.

For the purpose of cash flow statement, cash and cash equivalent includes cash on hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.16 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.

2.17 Operating Segments

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.

2.18 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.

In the earlier years, for the purpose of calculating basic EPS, shares allotted to ESOP trust pursuant to the employee share based payment plan are not included in the shares outstanding as on the reporting date till the employees have exercised their right to obtain shares, after fulfilling the requisite vesting conditions. Till such time, the shares so allotted are considered as dilutive potential equity shares for the purpose of calculating diluted EPS.

2.20 Recent accounting pronouncements

(a) Ind AS 117, Insurance Contracts

The Ministry of corporate Affairs ("MCA") notified the Ind AS 117, Insurance Contracts, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply.

The application of Ind AS 117 had no impact on the Group financial statements as the Group has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

(b) Ind AS 116, Leases

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amended Ind AS 116, Leases, with respect to lease liability in a sale and leaseback transaction.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The application of Ind AS 116 had no impact on the Group financial statements as the Company has not entered into any transaction with respect to sale and leaseback.

There are no standards on accounting or any addendum thereto, prescribed by Ministry of Corporate Affairs (MCA) under Section 133 of the Companies Act, 2013 which are issued and not effective as at 31 March, 2025.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

(All amounts are in ₹ 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 2023	**368.09**	**26.72**	**58.44**	**165.00**	**354.44**	**76.49**	**0.70**	**1,049.88**
Additions	164.87	-	24.18	141.18	437.95	35.74	13.83	**817.75**
Disposals	98.11	-	-	21.81	65.36	5.70	-	**190.98**
Balance as at 31 March 2024	**434.85**	**26.72**	**82.62**	**284.37**	**727.03**	**106.53**	**14.53**	**1,676.65**
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**
Accumulated depreciation								
Balance as at 1 April 2023	**70.18**	**22.43**	**8.32**	**17.39**	**62.81**	**14.86**	**0.51**	**196.50**
Depreciation expense for the year	87.96	2.15	2.81	21.94	125.12	37.98	2.01	**279.97**
Disposals	22.74	-	-	2.34	11.66	1.33	-	**38.07**
Balance as at 31 March 2024	**135.40**	**24.58**	**11.13**	**36.99**	**176.27**	**51.51**	**2.52**	**438.40**
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**
Carrying amount (net)								
At 31 March 2024	**299.45**	**2.14**	**71.49**	**247.38**	**550.76**	**55.02**	**12.01**	**1,238.25**
At 31 March 2025	**1,001.87**	**-**	**277.75**	**546.17**	**758.89**	**63.91**	**11.29**	**2,659.88**

* 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.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ 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 2025 and 31 March 2024:

Particulars	Right of Use assets Building	Total
Cost		
Balance as at 1 April 2023	**4,335.65**	**4,335.65**
Additions*	1,750.05	1,750.05
Disposal/adjustments	(59.08)	(59.08)
Balance as at 31 March 2024	**6,026.62**	**6,026.62**
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**
Accumulated depreciation		
Accumulated depreciation as at 1 April 2023	**745.65**	**745.65**
Charge for the year	670.61	670.61
Deletions	-	-
Balance as at 31 March 2024	**1,416.26**	**1,416.26**
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**
Net carrying amount as at 31 March 2024	**4,610.36**	**4,610.36**
Net carrying amount as at 31 March 2025	**7,432.77**	**7,432.77**

*Includes security deposit.

B. Following are Lease Liabilities for the year ended 31 March 2025 and 31 March 2024:

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	4,889.24	3,729.31
Additions	3,953.02	1,693.54
Termination	(221.93)	(64.38)
Accretion of interest	509.36	305.30
Payments (including rent concession)	(1,133.20)	(774.53)
Closing balance	**7,996.49**	**4,889.24**

Notes to the Consolidated financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

B. Following are Lease Liabilities for the year ended 31 March 2025 and 31 March 2024: (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
Current	943.79	588.06
Non-Current	7,052.70	4,301.18
Total	**7,996.49**	**4,889.24**

Refer Statement of cash flows for total cash outflow on account of lease payments during the years ended 31 March 2025 and 31 March 2024.

Following are the contractual maturities of lease liabilities as at 31 March 2025 and 31 March 2024 on an undiscounted basis:

Particulars	As at 31 March 2025	As at 31 March 2024
Not later than one year	1,508.58	922.48
Later than one year but within five years	5,695.24	3,503.24
Later than five years	3,011.94	1,870.81
Total	**10,215.76**	**6,296.53**

C. Following are expenses recognised in Statement of Profit and Loss for the years ended 31 March 2025 and 31 March 2024:

Particulars	As at 31 March 2025	As at 31 March 2024
Depreciation expense on Right of Use asset	1,025.47	670.61
Interest expense on lease liabilities	509.36	305.30
Rent expenses related to short term leases	20.37	36.13
Total expense recognised in Statement of Profit and Loss	**1,555.20**	**1,012.04**

- The total cash outlow for leases is ₹ 1,149.69 million for the 31 March 2025 (₹ 810.66 million for 31 March 2024) including cash outlow for short term leases and leases of low-value assets.
- The Group has lease term extension options that are not reflected in the measurement of lease liabilites.
- The Group does not have any lease restrictons and commitment towards variable rent as per the contract.

5. CAPITAL WORK IN PROGRESS

Particulars	As at 31 March 2025	As at 31 March 2024
Tangible asset	43.57	166.64
Total	**43.57**	**166.64**

CWIP ageing schedule:

Particulars	As at 31 March 2025	As at 31 March 2024
Projects in progress		
Less than 1 year	43.57	166.64
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

CWIP ageing schedule: (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
Projects temporarily suspended		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**43.57**	**166.64**

- There is no CWIP under development whose completion is overdue or has exceeded its cost compared to the original plan.
- Group does not have any overdue projects as of 31 March 2025 and 31 March 2024.
- During the current year, Group has capitalised assets amounting to ₹ 1,906.72 million (31 March 2024 - ₹ 817.75 million).

6. A. OTHER INTANGIBLE ASSETS

Particulars	Application software	Trade Mark	Total
Balance as at 1 April 2023	**9.24**	**-**	**9.24**
Additions	1.08	-	1.08
Disposals	-	-	-
Balance as at 31 March 2024	**10.32**	**-**	**10.32**
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**
Accumulated amortization			
Balance as at 1 April 2023	**6.33**	**-**	**6.33**
Amortization expense for the year	2.08	-	2.08
Disposals	-	-	-
Balance as at 31 March 2024	**8.41**	**-**	**8.41**
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**
Carrying amount (net)			
Balance as at 31 March 2024	**1.91**	**-**	**1.91**
Balance as at 31 March 2025	**36.74**	**0.07**	**36.81**

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.

Notes to the Consolidated financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

6. B. INTANGIBLE ASSET UNDER DEVELOPMENT

Particulars	As at 31 March 2025	As at 31 March 2024
Intangible asset under development	10.28	-
Total	**10.28**	**-**

Intangible asset under development ageing schedule:

Particulars	As at 31 March 2025	As at 31 March 2024
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.
- Group does not have any overdue projects as of 31 March 2025 and 31 March 2024.
- During the current year, Group has capitalised assets amounting to ₹ 26.51 million (31 March 2024 - ₹ Nil).

7. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Particulars	As at 31 March 2025	As at 31 March 2024
INVESTMENT IN EQUITY INSTRUMENTS (Unquoted)		
In Associate		
Investment in Equity Instruments (Unquoted)		
100 fully paid equity shares of ₹ 1 each in Redefine Fashion Private Limited (31 March 2024: Nil)	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 2024: Nil)	104.94	-
Total	**105.00**	**-**
Less: Share of loss of Associate (Refer note. 51)	(19.44)	-
Total	**85.56**	**-**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

8. OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current, unsecured, considered good		
Rental and other deposits	505.23	366.37
Margin money deposits *	0.05	-
Bank deposits with more than 12 months maturity#	1,617.72	3,739.68
Total	**2,123.00**	**4,106.05**

* Represents deposits given as security against bank guarantee.

Includes deposits given as security against gold loan ₹ 1,429.00 million (31 March 2024 - ₹ 3,533.00 million) and deposits given as security against bank overdraft ₹ 128.02 million (31 March 2024 - ₹ 131.68 million).

Particulars	As at 31 March 2025	As at 31 March 2024
Current, unsecured, considered good		
Rental and other deposits	30.67	6.89
Interest accrued but not due on fixed deposits with banks	11.47	29.39
Bank deposits with maturity of less than 12 months *	1,519.35	1,273.93
Margin money deposits **	1.25	12.65
Deposits with NBFC ***	51.25	95.00
Margin money with brokers#	31.64	-
Call Option in subsidiary (refer note 54)	52.16	-
Receivables from franchisee	290.52	768.90
Other receivables	5.58	7.20
Total	**1,993.89**	**2,193.96**

* Includes deposits given as security against gold loan ₹ 939.86 million (31 March 2024 - ₹ 1,121.93 million), marked as lien against working capital loan ₹ 126.00 million (31 March 2024 - ₹ 21.32 million) and deposits given as security against bank overdraft ₹ 256.25 million (31 March 2024 - ₹ 45.15 million).

** Represents deposits given as security against bank guarantee.

*** Represent deposits given as security against working capital loan ₹ 20.00 million (31 March 2024 - ₹ 20.00 million) and vendor financing ₹ 31.25 million (31 March 2024 - ₹ 75.00 million).

Represent deposits maintained by the Group with brokers for hedging contracts.

9. NON-CURRENT TAX ASSETS (NET)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance income tax (net of provision for tax - ₹ Nil)	117.47	36.33
Total Non- current tax assets (net)	**117.47**	**36.33**

10. DEFERRED TAX ASSETS (NET)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax assets (Refer Note 36E)	-	-
Total Deferred tax assets (net)	**-**	**-**

Notes to the Consolidated financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

11. OTHER ASSETS

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current assets, unsecured, considered good		
Balance with Government authorities	1,235.34	747.34
Capital advances	34.16	76.82
Advance paid to BlueStone Trust (formerly known as BlueStone Jewellery and Lifestyle Limited Management Stock Transfer trust)	-	1.24
Less: Adjustment for Treasury Shares	-	(1.24)
Goods and service tax refund receivables	246.52	177.61
Total	**1,516.02**	**1,001.77**

Particulars	As at 31 March 2025	As at 31 March 2024
Current assets, unsecured, considered good		
Advance to suppliers	58.12	62.36
Right to recover returned goods (Refer note below)	67.67	38.76
Prepaid expenses *	203.66	50.66
Other receivables	15.30	26.54
Total	**344.75**	**178.32**

Right to recover returned goods represents the amount of goods expected to be received by the Company on account of sales return.

* The Company is in the process of launching its initial public offer ('IPO') of equity shares and accordingly has filed its draft offer documents with the Securities and Exchange Board of India ('SEBI') on 11 December 2024, and has incurred ₹ 117.08 million (31 March 2024: ₹ Nil) in connection with the said public offer. These IPO related expenses will largely be adjusted against the securities premium to the extent permissible under Section 52 of the Companies Act, 2013 on successful completion of the issue.

12. INVENTORIES

Particulars	As at 31 March 2025	As at 31 March 2024
(valued at lower of cost and net realisable value)		
Raw materials	2,291.68	1,992.69
Work-in-progress	347.86	10.97
Finished goods	13,787.66	7,894.09
Packing materials	98.27	14.46
Total	**16,525.47**	**9,912.21**

- Refer note 20 for charge created against inventories.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

13. INVESTMENTS - CURRENT

Particulars	As at 31 March 2025	As at 31 March 2024
Investments in Mutual Funds (at fair value through profit or loss)		
Quoted		
Axis Money Market Fund Direct Growth (359,017.399 units)*	508.35	-
Total	**508.35**	**-**
* A total of 344,174 units have been pledged for hedging		
Aggregate amount of quoted investments	508.35	-
Aggregate market value of quoted investments	508.35	-

14. LOANS

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Unsecured, considered good		
Advances to employees	-	0.39
Total	**-**	**0.39**

15. TRADE RECEIVABLES

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Unsecured		
Trade receivables - considered good	56.06	23.77
Trade receivables - credit impaired	-	1.60
	56.06	**25.37**
Less: Provision for expected credit loss	-	(1.60)
Total	**56.06**	**23.77**

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.

Trade receivables Ageing Schedule

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	-	-	-	-	-	**-**

Notes to the Consolidated financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

Ageing as at 31 March 2025 (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	
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**

Ageing as at 31 March 2024

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	23.77	-	-	-	-	**23.77**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	**-**
Undisputed Trade Receivables – credit impaired	-	1.60	-	-	-	**1.60**
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**23.77**	**1.60**	**-**	**-**	**-**	**25.37**

- There are no trade receivable which are not due.

16. CASH AND BANK BALANCES

Particulars	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents		
Cash on hand	0.02	0.83
Demand drafts on hand	-	3.89
Balances with banks		
- in current accounts	102.96	585.98
- in bank deposits (with original maturity of 3 months or less)#	384.77	0.65
Total cash and cash equivalents	**487.75**	**591.35**

Includes deposits given as security against gold loan ₹ 104.17 million (31 March 2024: ₹ Nil).

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

17. OTHER BANK BALANCES

Particulars	As at 31 March 2025	As at 31 March 2024
Fixed deposit accounts with bank (original maturity more than 3 months but less than 12 months)*	1,035.00	120.34
Balances with banks held as margin money**	346.18	353.27
Total other bank balances	**1,381.18**	**473.61**

*Includes deposits given as security against gold loan ₹ 965.00 million (31 March 2024 - ₹ 120.34 million) and deposits given as security against bank overdraft ₹ 30.00 million (31 March 2024 - ₹ Nil).

**Represents balance held as margin money against gold metal loan ₹ 346.18 million (31 March 2024 - ₹ 353.27 million).

18. SHARE CAPITAL

Particulars	As at 31 March 2025	As at 31 March 2024
Authorized share capital		
Equity shares		
168,290,700 Equity shares of ₹ 1 each, (as at 31 March 2024: 68,290,700)	168.29	68.29
Convertible Preference Shares		
609,594 CCPS of Series A of ₹ 10 each, (as at 31 March 2024: 609,594)	6.10	6.10
186,982 CCPS of Series B of ₹ 10 each, (as at 31 March 2024: 186,982)	1.87	1.87
88,624 CCPS of Series B1 of ₹ 10 each, (as at 31 March 2024: 88,624)	0.89	0.89
1,339,659 CCPS of Series B2 of ₹ 10 each, (as at 31 March 2024: 1,339,659)	13.40	13.40
128,207 CCPS of Series B3 of ₹ 10 each, (as at 31 March 2024: 128,207)	1.28	1.28
1,417,252 CCPS of Series C of ₹ 10 each, (as at 31 March 2024: 1,417,252)	14.17	14.17
1,980,112 CCPS of Series D of ₹ 10 each, (as at 31 March 2024: 1,980,112)	19.80	19.80
625,000 CCPS of Series D1 of ₹ 10 each, (as at 31 March 2024: 625,000)	6.25	6.25
600,000 CCPS of Series D2 of ₹ 10 each, (as at 31 March 2024: 600,000)	6.00	6.00
300,000 CCPS of Series D3 of ₹ 10 each, (as at 31 March 2024: 300,000)	3.00	3.00
169,122 CCPS of Series E of ₹ 10 each, (as at 31 March 2024: 169,122)	1.69	1.69
7,292 OCRPS of Series E1 of ₹ 10 each, (as at 31 March 2024: 7,292)	0.07	0.07
395,840 CCPS of Series E2 of ₹ 10 each, (as at 31 March 2024: 395,840)	3.96	3.96
323,246 CCPS of Series F of ₹ 10 each, (as at 31 March 2024: 323,246)	3.23	3.23
19,000,000 CCPS of Series G of ₹ 10 each, (as at 31 March 2024: 19,000,000)	190.00	190.00

Notes to the Consolidated financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

18. SHARE CAPITAL (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
10,500,000 CCPS of Series H of ₹ 1 each, (as at 31 March 2024: Nil)	10.50	-
	450.50	**340.00**
Issued, subscribed and paid-up share capital		
Equity share capital issued (A)		
35,235,000 Equity shares of ₹ 1 each, fully paid up (as at 31 March 2024: 21,375,200)	35.23	21.38
Less: Treasury Shares held through BlueStone Trust		
Nil Equity shares of ₹ 1 each, fully paid up (as at 31 March 2024: 3,223,260)	-	(3.22)
	35.23	**18.16**
Equity component of Compulsorily Convertible Preference Shares (CCPS)		
609,594 Series A CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 609,594)	6.09	6.09
186,982 Series B CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 186,982)	1.87	1.87
88,624 Series B1 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 88,624)	0.89	0.89
1,339,659 Series B2 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 1,339,659)	13.40	13.40
128,207 Series B3 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 128,207)	1.28	1.28
1,417,252 Series C CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 1,417,252)	14.17	14.17
1,940,933 Series D CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 1,940,933)	19.41	19.41
416,865 Series D1 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 416,865)	4.17	4.17
359,257 Series D2 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 359,257)	3.59	3.59
110,754 Series D3 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 110,754)	1.11	1.11
169,122 Series E CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 169,122)	1.69	1.69
395,836 Series E2 CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 395,836)	3.96	3.96
250,658 Series F CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 250,658)	2.51	2.51
17,680,565 Series G CCPS of ₹ 10 each, fully paid up (as at 31 March 2024: 18,665,355)	176.81	186.65
10,380,622 Series H CCPS of ₹ 1 each, fully paid up (as at 31 March 2024: Nil)	10.38	-
Total share capital	**261.33**	**260.79**
Total share capital	**296.56**	**278.95**

Number of shares have been disclosed in absolute terms.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

I. Equity shares

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Balance at the beginning of the year	18,151,940	18.16	18,151,940	18.16
Shares issued during the year	12,802,090	12.80	-	-
Shares transferred during the year	3,223,260	3.22	-	-
Conversion of OCRPS into equity shares	72,920	0.07	-	-
Conversion of G series CCPS into equity shares	984,790	0.98	-	-
Total Equity shares at the end of the period	**35,235,000**	**35.23**	**18,151,940**	**18.16**

II. Reconciliation of the number of treasury shares outstanding at the beginning and end of the year

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Equity shares				
Balance at the beginning of the year	3,223,260	3.22	3,223,260	3.22
Shares transferred during the year	(3,223,260)	(3.22)	-	-
Total Equity shares at the end of the year	**-**	**-**	**3,223,260**	**3.22**

III. Compulsorily Convertible Preference Shares (CCPS)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Series A				
At the beginning and end of the year	609,594	6.09	609,594	6.09
Total	**609,594**	**6.09**	**609,594**	**6.09**
Series B				
At the beginning and end of the year	186,982	1.87	186,982	1.87
Total	**186,982**	**1.87**	**186,982**	**1.87**
Series B1				
At the beginning and end of the year	88,624	0.89	88,624	0.89
Total	**88,624**	**0.89**	**88,624**	**0.89**
Series B2				
At the beginning and end of the year	1,339,659	13.40	1,339,659	13.40
Total	**1,339,659**	**13.40**	**1,339,659**	**13.40**
Series B3				
At the beginning and end of the year	128,207	1.28	128,207	1.28
Total	**128,207**	**1.28**	**128,207**	**1.28**
Series C				
At the beginning and end of the year	1,417,252	14.17	1,417,252	14.17
Total	**1,417,252**	**14.17**	**1,417,252**	**14.17**
Series D				
At the beginning and end of the year	1,940,933	19.41	1,940,933	19.41
Total	**1,940,933**	**19.41**	**1,940,933**	**19.41**

Notes to the Consolidated financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

III. Compulsorily Convertible Preference Shares (CCPS) (Contd.)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Series D1				
At the beginning and end of the year	416,865	4.17	416,865	4.17
Total	**416,865**	**4.17**	**416,865**	**4.17**
Series D2				
At the beginning and end of the year	359,257	3.59	359,257	3.59
Total	**359,257**	**3.59**	**359,257**	**3.59**
Series D3				
At the beginning and end of the year	110,754	1.11	110,754	1.11
Total	**110,754**	**1.11**	**110,754**	**1.11**
Series E				
At the beginning and end of the year	169,122	1.69	169,122	1.69
Total	**169,122**	**1.69**	**169,122**	**1.69**
Series E2				
At the beginning and end of the year	395,836	3.96	395,836	3.96
Total	**395,836**	**3.96**	**395,836**	**3.96**
Series F				
At the beginning and end of the year	250,658	2.51	250,658	2.51
Total	**250,658**	**2.51**	**250,658**	**2.51**
Series G				
At the beginning of the year	18,665,355	186.65	-	-
Issued during the year	-	-	18,665,355	186.65
Conversion of CCPS into equity shares	(984,790)	(9.84)	-	-
Total	**17,680,565**	**176.81**	**18,665,355**	**186.65**
Series H				
At the beginning of the year	-	-	-	-
Issued during the year	10,380,622	10.38	-	-
Total	**10,380,622**	**10.38**	**-**	**-**
Total Share Capital [I + III]	**70,709,930**	**296.56**	**44,231,038**	**278.95**

(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, Company has not declared any dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential share holders and preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) The Company has issued various series of Compulsorily Convertible Preference Shares ('CCPS') and Optionally Convertible Redeemable Preference Shares ('OCRPS').

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

During the year ended 31 March 2024, the Company had issued G series CCPS and the CCPS holders of Series G have agreed a fixed conversion of 1 equity shares for every 1 CCPS held and therefore the same is classified as equity.

During the current 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, 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 is classified as equity.

As per the terms and conditions of issue of Series E1 OCRPS, the holders shall have a right to convert any or all of the series at their sole discretion and at any time within 19 (nineteen) years from the issue of the Series, into variable number of Equity Shares of the Company and hence were classified as financial instrument in the nature of financial liability designated to be measured at fair value through profit or loss.

During the current year ended 31 March 2025, Series E1 OCRPS is converted into equity shares in the ratio of 10:1.

(d) In the period of five years, during the year 2022-23, the Company had issued bonus shares of 16,336,746 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 10,001,847 rights equity shares at a price of ₹ 34 each, which includes a premium of ₹ 33 per share.

(h) Particulars of shareholders holding more than 5% equity shares

Name of the shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of shares held	% holding	Number of shares held	% holding
Equity Shares				
Ganesh K *	-	-	1,548,850	9%
M/s. Access India Capital	2,926,410	8%	-	-
Gaurav Singh Kushwaha	24,465,127	69%	13,950,000	77%
Srinivas Anumolu	-	-	1,046,480	6%
Total	**27,391,537**	**77%**	**16,545,330**	**91%**
CCPS				
Series A				
Accel India III (Mauritius) Limited	457,246	75%	457,246	75%
Saama Capital II Limited	53,134	9%	53,134	9%
Sunil Kant Munjal and other partners of Hero	99,214	16%	99,214	16%
	609,594	**100%**	**609,594**	**100%**
Series B				
Accel India III (Mauritius) Limited	93,491	50%	93,491	50%
Saama Capital II Limited	93,491	50%	93,491	50%
	186,982	**100%**	**186,982**	**100%**
Series B1				
Saama Capital II Limited	88,624	100%	88,624	100%
	88,624	**100%**	**88,624**	**100%**

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For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

(h) Particulars of shareholders holding more than 5% equity shares (Contd.)

Name of the shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of shares held	% holding	Number of shares held	% holding
Series B2				
Accel India III (Mauritius) Ltd	307,149	23%	822,621	61%
Kalaari Capital Partners II, LLC	264,734	20%	307,149	23%
Sunil Kant Munjal and other partners of Hero	151,920	11%	151,920	11%
Steadview Capital Mauritius Limited	196,901	15%	-	-
Peak XV Partners Growth Investments IV	360,986	27%	-	-
	1,281,690	**96%**	**1,281,690**	**96%**
Series B3				
Accel India III (Mauritius) Limited	128,207	100%	128,207	100%
	128,207	**100%**	**128,207**	**100%**
Series C				
Accel Growth III Holdings (Mauritius) Ltd	-	-	337,329	24%
Ivycap Ventures Trust – Fund 1-(Trustee-Vistra ITCL (India) Limited)	312,595	22%	312,595	22%
Kalaari Capital Partners II, LLC	220,971	16%	220,971	16%
Accel India III (Mauritius) Limited	138,107	10%	138,107	10%
DF International Private Partners	-	-	110,386	8%
Saama Capital II Limited	82,864	6%	82,864	6%
360 ONE Special Opportunities Fund - Series 12	280,927	20%	215,000	15%
Accel India VII (Mauritius) Limited	337,329	24%	-	-
	1,372,793	**98%**	**1,417,252**	**100%**
Series D				
Kalaari Capital Partners II, LLC	161,786	8%	161,786	8%
Accel India III (Mauritius) Limited	242,679	13%	242,679	13%
RB Investment Pte Limited	242,579	12%	242,579	12%
Vistra ITCL (India) Limited, Trustee of Ivycap Ventures Trust – Fund 2	161,686	8%	161,686	8%
Iron Pillar Fund I Limited	137,187	7%	137,187	7%
Kalaari Capital Partners Opportunity Fund, LLC*	-	-	161,686	8%
Iron Pillar Fund I India	206,116	11%	206,116	11%
Sunil Kant Munjal and other partners of Hero	139,520	7%	139,520	7%
360 ONE Special Opportunities Fund - Series 12	102,571	5%	102,571	5%
360 ONE Large Value Fund - Series 5	111,149	6%	111,149	6%
	1,505,273	**77%**	**1,666,959**	**85%**
Series D1				
Kalaari Capital Partners II, LLC	33,207	8%	33,207	8%
Accel India III (Mauritius) Limited	66,413	16%	66,413	16%
Vistra ITCL (India) Limited, Trustee of Ivycap Ventures Trust – Fund 2	53,130	13%	53,130	13%

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For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

(h) Particulars of shareholders holding more than 5% equity shares (Contd.)

Name of the shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of shares held	% holding	Number of shares held	% holding
Iron Pillar Fund I Limited	66,413	16%	66,413	16%
RB Investment Pte Limited	67,715	16%	67,715	16%
Sunil Kant Munjal and other partners of Hero	102,841	25%	102,841	25%
	389,719	**94%**	**389,719**	**94%**
Series D2				
Accel India III (Mauritius) Limited	128,304	36%	128,304	36%
Saama Capital II Limited	26,043	7%	26,043	7%
Vistra ITCL (India) Limited, Trustee of Ivycap Ventures Trust – Fund 2	31,251	9%	31,251	9%
Iron Pillar Fund I Limited	127,614	36%	127,614	36%
	313,212	**88%**	**313,212**	**88%**
Series D3				
360 ONE Special Opportunities Fund - Series 12	63,218	57%	-	-
Iron Pillar II WH Ltd.	47,536	43%	-	-
Avanz EM Partnerships Fund II, SPC	-	-	110,754	100%
	110,754	**100%**	**110,754**	**100%**
Series E				
Accel India III (Mauritius) Limited	59,037	35%	59,037	35%
Kalaari Capital Partners II, LLC	11,807	7%	11,807	7%
Accel Growth III Holdings (Mauritius) Limited	-	-	39,358	23%
Iron Pillar Fund I Limited	11,807	7%	11,807	7%
Sunil Kant Munjal and other partners of Hero	15,743	9%	15,743	9%
Raveen Shastry	15,626	9%	15,626	9%
Accel India VII (Mauritius) Limited	39,358	23%	-	-
	153,378	**90%**	**153,378**	**90%**
Series E2				
Accel India III (Mauritius) Limited	125,000	32%	125,000	32%
Ashoka Pte Limited	125,000	32%	125,000	32%
Japonica Holdings Pte. Limited	62,500	16%	62,500	16%
	312,500	**80%**	**312,500**	**80%**
Series F				
Sunil Kant Munjal and other partners of Hero	250,658	100%	250,658	100%
	250,658	**100%**	**250,658**	**100%**
Series G				
IE Venture Investment Fund II	3,175,712	18%	3,175,712	17%
360 One Large Value Fund - Series 13	2,215,059	13%	2,381,784	13%
360 One Special Oppurtunities Fund Series 11	1,476,706	8%	1,587,856	9%
NKSquared	1,476,706	8%	1,587,856	9%

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(All amounts are in ₹ million unless otherwise stated)

(h) Particulars of shareholders holding more than 5% equity shares (Contd.)

Name of the shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of shares held	% holding	Number of shares held	% holding
Kamath Associate	1,476,706	8%	1,587,856	9%
IvyCap Ventures Trust Fund - III	1,476,706	8%	1,587,856	9%
NV Holdings Limited	1,246,909	7%	1,340,763	7%
	12,544,504	**70%**	**13,249,683**	**73%**
Series H				
Pratithi Growth Fund 1	605,536	6%	-	-
MIH Investments One B.V.	6,080,439	59%	-	-
Steadview Capital Mauritius Limited	1,384,083	13%	-	-
Think Investments PCC	1,453,280	14%	-	-
	9,523,338	**92%**	**-**	**-**

* Holding below 5% during current year.

(i) Shareholding of promoters:

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares of ₹ 1 each				
Mr. Gaurav Singh Kushwaha	24,465,127	69%	13,950,000	77%

19. OTHER EQUITY

Particulars		As at 31 March 2025	As at 31 March 2024
Securities premium	(i)	32,451.29	25,221.43
Retained earnings	(ii)	(24,583.31)	(22,325.48)
Share options outstanding account	(iii)	897.48	553.00
Items of Other Comprehensive Income	(iv)	5.72	13.82
Non-Controlling Interest of Subsidiary	(v)	39.66	-
Total other equity		**8,810.84**	**3,462.77**

(i) Securities premium

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	25,221.43	19,530.55
Premium received on issue of shares	7,235.69	5,690.88
Add: Reclassification from Liability to Equity (Refer note 18 (c))	6.92	-
Add: Conversion from CCPS to Equity shares	8.86	-
Less: Share issue expenses	(21.61)	-
Closing balance	**32,451.29**	**25,221.43**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

(ii) Retained earnings

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	(22,325.48)	(20,748.50)
Loss during the year	(2,216.69)	(1,422.36)
Non-Controlling Interest of Subsidiary	(41.14)	
Less: Change in fair value of Equity on termination of Right to subscribe shares	-	(154.62)
Closing balance	**(24,583.31)**	**(22,325.48)**

(iii) Share options outstanding account

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	553.00	403.35
Add: Options granted during the year (Refer note no. 40)	512.39	193.50
Less: Options exercised during the year	(167.91)	-
Less: Options surrendered during the year	-	(43.85)
Closing balance	**897.48**	**553.00**

(iv) Items of Other Comprehensive Income

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	13.82	4.05
Actuarial (loss)/gain on remeasurement of employee defined benefit plan (net of tax) (Refer note no. 35)	(8.10)	9.77
Closing balance	**5.72**	**13.82**

(v) Non-Controlling Interest of Subsidiary

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	-	-
Adjustments for changes in ownership interests	41.14	-
Capital contribution at the inception of the Company	0.20	-
Profit attributable during the year	(1.68)	-
Balance at the end of the year	**39.66**	**-**
Total other equity	**8,810.84**	**3,462.76**

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.

Notes to the Consolidated financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

(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.

Financial liabilities

20. BORROWINGS

Non-current borrowings - At Amortised cost

Particulars		As at 31 March 2025	As at 31 March 2024
Secured:			
Redeemable Non-convertible debentures (Refer note below)		4,190.11	2,332.57
Less: Current maturities of long-term borrowings		(2,755.51)	(1,288.58)
		1,434.60	**1,043.99**
Term loans from banks (Refer note below):			
a)	HDFC Bank Limited	33.14	62.38
	Less: Current maturities of long-term borrowings	(15.91)	(29.25)
		17.23	**33.13**
Term loans from others (Refer note below):			
b)	Blacksoil Capital Private Limited	-	200.00
c)	Oxyzo Financial Services Private Limited	589.17	425.00
d)	Incred Financial Services Limited	38.13	71.23
e)	Northern Arc Capital Limited	500.00	500.00
f)	Poonawalla Fincorp Limited	500.00	-
	Less: Current maturities of long-term borrowings	(1,111.19)	(433.93)
		516.11	**762.30**
Vehicle loan:			
g)	BMW India Financial Services Private Limited	4.99	6.09
h)	Axis Bank Limited	1.88	-
	Less: Current maturities of long-term borrowings	(1.98)	(1.10)
		4.89	**4.99**
Total (A)		**1,972.83**	**1,851.40**

Note:

The coupon rate for Redeemable Non-convertible debentures ranges from 12.50% p.a. to 14.50% p.a. (31 March 2025 - 11.25% p.a. to 14.95% p.a.) with a tenor of 18 to 36 months.

The rate of interest for term loans from banks is 7.90% p.a. (31 March 2024 - 7.25% p.a. to 7.50%) and loan from others is 11.25% p.a. to 13.50% p.a. (31 March 2024 - 13% p.a. to 14.35% p.a.) with a maturity period ranging from 12 to 36 months.

The rate of interest for vehicle loan is 7.99% p.a. to 9.55% p.a. (31 March 2024 - 7.99% p.a.) repayable monthly in 60 instalments.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

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 in (a), (b), (c), (d), (e) and (f) 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 metal 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 loan mentioned in (g) and (h) above is secured against hypothecation of vehicles.

Current borrowings:

Particulars		As at 31 March 2025	As at 31 March 2024
Secured			
Redeemable Non-convertible debentures			
a)	Current maturities of long-term borrowings	2,755.51	1,288.58
		2,755.51	**1,288.58**
From banks (Refer note below):			
b)	Working capital loan	620.00	200.00
c)	Bank overdraft	108.76	-
d)	Current maturities of long-term borrowings	15.91	29.25
		744.67	**229.25**
From others (Refer note below):			
e)	Working capital loan	450.00	200.00
f)	Payable Financing	250.00	300.00
g)	Current maturities of long-term borrowings	1,111.19	433.93
		1,811.19	**933.93**
Vehicle loan			
h)	Current maturities of long-term borrowings	1.98	1.10
		1.98	**1.10**
Total (B)		**5,313.35**	**2,452.86**
Total (A+B)		**7,286.18**	**4,304.26**

Note:

The rate of interest for working capital loans from bank is 10.00% to 10.60% p.a. (31 March 2024 - 11.50%) and working capital loan from others is 12.00% p.a. to 13.50% p.a. (31 March 2024 - 13.00% p.a. to 13.75% p.a.) with a maturity period ranging from 180 days to 12 months.

The rate of interest for payable financing is 11.50% - 12.00% p.a. with a maturity period ranging from 90 to 120 days (31 March 2024 - 11.50% p.a. with a maturity period of 120 days).

The rate of interest for cash credit/overdraft is 10% - 10.70% p.a. (31 March 2024 - ₹ Nil).

Security:

The loan mentioned in (b) above is secured by way of first ranking pari-passu hypothecation charge on all existing and future stocks and receivables and future moveable fixed assets of the Company.

The loan mentioned in (c) above is secured by way of pari-passu charge on all current assets and fixed assets of the Company.

Notes to the Consolidated financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

The loan mentioned in (e) above is secured by way of first ranking pari passu charge on all existing and future fixed and current assets, other assets, inventory, receivables, rental deposits of the Company.

For 31 March 2025

The quarterly statements of book debts and inventories filed with the banks against the borrowings obtained by the Company are in agreement with the books of accounts.

For 31 March 2024

The quarterly statements of book debts and inventories filed with the banks against the borrowings obtained by the Company are in agreement with the books of accounts other than as below:

For the quarter ended	Sanctioned amount to which discrepancy relates to (in million)	Details of discrepancies					Remarks (including subsequent rectification, if any)
		Nature of current assets	Nature of discrepancy	Amount (in million)			
				Amount as per Quarterly returns and statements	As per unaudited books of accounts	Difference	
HDFC Bank Limited and Kotak Mahindra Bank Limited							**Creditors:** Only payables with respect to raw materials purchased are submitted to bank whereas, amount as per unaudited books of accounts consist of all trade payables including expenses.
30-Jun-23	HDFC - 300 Kotak - 250	Inventory	Impact of book closure entries	3,622.57	3,581.69	40.88	
		Debtors		680.66	690.69	(10.03)	
		Creditors		221.42	945.11	(723.70)	
30-Sep-23		Inventory		3,377.62	3,284.10	93.52	**Inventory, purchases and debtors:** On account of book closure entries.
		Debtors		1,855.91	1,789.16	66.74	
		Creditors		755.76	1,457.03	(701.27)	
31-Dec-23		Inventory		5,097.24	5,165.55	(68.31)	**Cash and cash equivalents:** Cash and cash equivalents includes cash balance, bank balances and fixed deposits with banks and NBFC's. (excluding lien marked FD's other than GML)
		Debtors		3,918.05	3,934.84	(16.79)	
		Creditors		1,318.76	1,798.59	(479.83)	
31-Mar-24		Inventory		5,491.22	5,977.88	(486.66)	
		Debtors		4,516.78	4,547.15	(30.37)	
		Creditors		1,475.83	2,290.53	(814.70)	
ICICI bank Limited							
30-Jun-23	300.00	Inventory	Impact of book closure entries	3,606.30	3,581.69	24.61	
		Debtors		771.20	690.69	80.51	
		Purchases		2,720.50	3,251.17	(530.67)	
		Cash and Cash Equivalent		2,834.30	3,186.37	(352.07)	
		Creditors		221.40	945.11	(723.71)	
30-Sep-23		Inventory		3,362.60	3,284.10	78.50	
		Debtors		1,887.40	1,789.16	98.24	
		Purchases		4,155.90	3,610.40	545.50	
		Cash and Cash Equivalent		6,183.10	6,276.04	(92.94)	
		Creditors		755.80	1,457.03	(701.23)	

Instances of default in payment of principal/interest as below:

There are no instances of default in payment of principal or interest for the year ended 31 March 2025.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

During the year 31 March 2024, the Company had instances of default in payment of Principal/interest as below:

Nature of Borrowing	Name of Lender	Amount not paid on due date during the year (in million)		No. of days delay or unpaid	Amount remaining unpaid as at 31 March 2024		Amount paid till the date of report		Remarks
		Principal	Interest		Principal	Interest	Principal	Interest	
Long Term Borrowing									
Due to Financial Institutions:	Stride Fintree Private Limited	-	0.59	31	-	-	-	-	Caused due to processing delays. Amount repaid with default interest.
Due to Financial Institutions:	Klub works private limited	10.00	0.88	8	-	-	-	-	The NACH facility was active however the lender presented the NACH after the due date. There was adequate balance available as on due date.
Due to Financial Institutions:	Capsave finance private limited	-	1.96	1	-	-	-	-	The NACH facility was active however the lender presented the NACH after the due date. There was adequate balance available as on due date.
Due to Financial Institutions:	Capsave finance private limited	-	0.06	3	-	-	-	-	The NACH facility was active however the lender presented the NACH after the due date. There was adequate balance available as on due date.
Due to Financial Institutions:	Capsave finance private limited	-	1.83	1	-	-	-	-	The NACH facility was active however the lender presented the NACH after the due date. There was adequate balance available as on due date.
Due to Financial Institutions:	BMW India Financial services private limited	0.09	0.02	1	-	-	-	-	The NACH facility was active however the lender presented the NACH after the due date. There was adequate balance available as on due date.
Due to Financial Institutions:	BMW India Financial services private limited	0.09	0.04	1	-	-	-	-	The NACH facility was active however the lender presented the NACH after the due date. There was adequate balance available as on due date.

21. LEASE LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
Non current		
Lease liabilities	7,052.70	4,301.18
Total	**7,052.70**	**4,301.18**

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Lease liabilities	943.79	588.06
Total	**943.79**	**588.06**

Notes to the Consolidated financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

22. OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Deposit made by franchisee	143.31	325.10
Total	**143.31**	**325.10**

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Interest accrued but not due on borrowings	14.43	12.61
Deposit made by franchisee	2,118.37	2,466.15
Payable to employees	92.05	24.45
Liabilities towards share based payment (Refer note no. 40)	-	24.87
Liabilities towards rights to subscribe shares (Refer note no. 48)	-	166.99
Liability towards Phantom options (Refer note no. 47)	-	7.53
Derivative instruments in designated hedge accounting relationship	77.78	-
Other liabilities	46.16	10.00
Total	**2,348.79**	**2,712.60**

23. PROVISIONS

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Provision for employee benefits		
Provision for gratuity (refer note 35)	35.44	22.83
Provision for compensated absence	-	11.10
Total	**35.44**	**33.93**

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Provision for employee benefits		
Provision for gratuity (refer note 35)	12.53	11.68
Provision for compensated absence	15.93	8.84
Total	**28.46**	**20.52**

24. GOLD ON LOAN

Particulars	As at 31 March 2025	As at 31 March 2024
Gold Metal Loan (Refer note below)	3,865.53	4,424.61
Total	**3,865.53**	**4,424.61**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

Notes:

Represents amounts payable against gold purchased from various banks under gold on loan scheme with a interest rate of 2.50%-9.00% p.a. (31 March 2024 - 2.50%) 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, 16 and 17).

25. TRADE PAYABLES

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Total outstanding dues of micro enterprises and small enterprises	282.97	418.55
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,364.38	1,748.94
Total trade payables	**1,647.35**	**2,167.49**

Disclosure in respect of Micro and Small Enterprises:

Particulars		As at 31 March 2025	As at 31 March 2024
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting period		
	- Principal	282.97	418.55
	- 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 2025 (All amounts are in ₹ million unless otherwise stated)

Trade payables Ageing Schedule

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	431.40	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**

Ageing as at 31 March 2024

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	-	271.98	146.57	-	-	-	**418.55**
Total outstanding dues of creditors other than micro enterprises and small enterprises	370.93	976.92	370.83	28.25	1.21	0.80	**1,748.94**
Disputed dues of micro, enterprises and small enterprises	-		-	-	-	-	**-**
Disputed dues of creditors other than micro, enterprises and small enterprises	-		-	-	-	-	-
Total	**370.93**	**1,248.90**	**517.40**	**28.25**	**1.21**	**0.80**	**2,167.49**

26. OTHER LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Advance received from customers	272.85	99.72
Gold Mine Scheme	1,727.97	1,087.74
Capital creditors	173.06	65.20
Liability for sales return*	105.73	66.20
Statutory dues payable	39.62	202.58
Gift vouchers	517.49	384.83

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

26. OTHER LIABILITIES (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
Other payables	27.14	9.18
Total	**2,863.86**	**1,915.45**

* The Company has recognised a refund liability for the Sales return from customers amounting to ₹ 105.73 million (31 March 2024: ₹ 66.20 million), which is in the normal course of business. The Company has also recognised a right to recover the returned goods ₹ 67.67 million (31 March 2024: ₹ 38.76 million). The costs to recover the products are not material because the customers usually return the product in a saleable condition.

27. REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products	17,700.02	12,658.39
Total revenue from operations	**17,700.02**	**12,658.39**

(A) Ind AS 115 - Revenue from contract with customers

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from contract with customers - Sale of products	17,700.02	12,658.39
Total revenue from operations	**17,700.02**	**12,658.39**
India	17,700.02	12,658.39
Outside India	-	-
Total revenue from operations	**17,700.02**	**12,658.39**
Timing of revenue operation		
At a point in time	17,700.02	12,658.39
Over a period of time	-	-
Total revenue from operations	**17,700.02**	**12,658.39**

(B) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Contracted price	25,122.22	17,411.81
Less: Reductions towards variable consideration components	(7,422.20)	(4,753.42)
Net consideration recognised as revenue	**17,700.02**	**12,658.39**

The reduction towards variable consideration comprises of scheme discounts, incentives, returns etc.

(C) Contract balances

Particulars	As at 31 March 2025	As at 31 March 2024
Contract assets		
Right to recover returned goods (refer note 11)	67.67	38.76

Notes to the Consolidated financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

(C) Contract balances (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
Contract liabilities (refer note 26)		
Liability for sales return	105.73	66.20
Gift voucher	517.49	384.83
Gold mine scheme	1,727.97	1,087.74
Advance from customers	272.85	99.72

28. OTHER INCOME

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on fixed deposits and others	351.78	250.58
Profit on sale of property plant and equipment (net)	-	19.43
Gain on mutual fund	39.31	-
Liabilities no longer required written back	95.16	96.71
Fair value gain on call option – subsidiary (Refer note 54)	52.16	-
Unwinding of interest on financial assets carried at amortized cost	28.23	-
Gain on termination of lease	10.84	7.96
Rent waiver on lease liabilities	3.88	-
Miscellaneous income	18.98	1.84
Total other income	**600.34**	**376.52**

29. COST OF RAW MATERIALS CONSUMED

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Raw material consumed		
Inventory at the beginning of the year	1,992.69	837.54
Add: Purchases	17,514.34	13,501.86
Less: Inventory at the end of the year	2,291.68	1,992.69
Total consumption	**17,215.35**	**12,346.71**

30. CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventories at the end of the year		
Finished goods	13,787.66	7,894.09
Work-in-progress	347.86	10.97
Inventories at the beginning of the year		
Finished goods	7,894.09	3,013.82
Work-in-progress	10.97	87.94
Net change	**(6,230.46)**	**(4,803.30)**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

31. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries and wages	1,361.79	980.58
Contribution to provident and other funds (Refer note 35)	42.17	33.69
Gratuity expenses (Refer note 35)	8.01	16.78
Expense on employee stock option scheme (Refer note 40)	512.39	292.58
Staff welfare expenses	101.66	60.62
Total employee benefits expense	**2,026.02**	**1,384.25**

32. FINANCE COSTS

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on:		
Term loans from banks & financial institutions	604.42	280.09
Debentures	460.26	289.70
Delayed payment of taxes	-	2.07
Franchisee	464.09	488.87
Lease liabilities (refer note 4(c))	509.36	305.30
Other borrowing costs	37.32	10.68
Total finance costs	**2,075.45**	**1,376.71**

33. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of property, plant and equipment (refer note 3)	445.29	279.97
Amortization of other intangible assets (refer note 6a)	4.13	2.08
Depreciation of right to use assets (refer note 4(c))	1,025.47	670.61
Total depreciation and amortization expense	**1,474.89**	**952.66**

34. OTHER EXPENSES

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Power and fuel	176.07	110.10
Certification & hallmarking charges	70.63	76.14
Job work charges	251.12	374.91
Contract labour charges	620.67	249.02
Consumables	100.30	50.39
Security charges	76.03	44.47
Bank charges	5.76	3.39
Insurance	43.02	18.09

Notes to the Consolidated financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

34. OTHER EXPENSES (Contd.)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Repairs and maintenance		
- Buildings	93.33	60.68
Rates and taxes	41.38	45.48
Advertisement & marketing costs	1,591.66	1,242.30
Payment gateway charges	138.32	102.13
Shipping charges	90.05	74.77
Brokerage & commission	58.34	271.09
Printing & stationery expenses	49.49	37.09
Postage and courier charges	3.50	1.79
Software and web development charges	26.16	11.41
Recruitment charges	1.32	4.61
Bad debts written off	1.60	2.75
Less: Provision created in earlier years	(1.60)	-
Advances written off	-	25.02
Rent (refer note 4C)	20.37	36.13
Legal and professional charges	136.77	100.88
Travelling and conveyance expenses	80.62	46.06
Technology & communication expenses	61.03	46.98
Auditors remuneration (refer note (a) below)*	3.59	2.35
Provision for doubtful debt and other receivables	-	1.20
Office maintenance	176.21	141.80
Loss on sale of property, plant and equipment	19.48	-
Miscellaneous expenses	2.82	19.22
Total other expenses	**3,938.04**	**3,200.24**

(a) Payment to Auditors

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
As auditor:		
Statutory audit	3.45	2.25
Reimbursement of expenses	0.14	0.10
Total	**3.59**	**2.35**

* Excludes fees paid to auditors amounting to ₹ 14.09 million (including reimbursement of expenses) and fees paid to erstwhile auditors ₹ 16.07 million (including reimbursement of expenses) for the year ended 31 March 2025 (31 March 2024 - Nil) in connection with the initial public offer of equity shares of the Company which has currently recognized under prepaid expenses (other current assets).

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

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 2025	For the year ended 31 March 2024
Employer's Contribution to Provident Fund	41.68	33.01
Employer's Contribution to Employee State Insurance Corporation	0.49	0.68
Expense recognized during the year	**42.17**	**33.69**

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	As at 31 March 2025	As at 31 March 2024
Change in projected benefit obligation:		
Obligations at beginning of the year	34.51	30.54
Service cost	5.56	14.50
Interest on defined benefit obligation	2.45	2.28
Benefits settled	(2.65)	(3.04)
Actuarial loss/(gain)	8.10	(9.77)
Obligations at the end of year	**47.97**	**34.51**
Reconciliation of present value of the obligation and the fair value of the plan assets:		
Closing obligations	47.97	34.51
Closing fair value of plan assets	-	-
Liability recognized in the balance sheet	**47.97**	**34.51**
Net liability:		
Non-current	35.44	22.83
Current	12.53	11.68

b) (i) Expense recognized in statement of profit and loss:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Service cost	5.56	14.50
Interest cost	2.45	2.28
Net benefit paid	-	-
Net gratuity cost	**8.01**	**16.78**

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For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

(ii) Remeasurements recognized in Other Comprehensive Income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial loss/(gain) on defined benefit obligation		
Changes in demographic assumption	8.64	(22.86)
Changes in financial assumptions	0.39	13.16
Experience variance (i.e. Actual experience vs assumptions)	(0.93)	(0.07)
Actuarial loss/(gain) on defined benefit obligation	**8.10**	**(9.77)**

c) Defined benefit obligation - Actuarial assumptions

(i) Actuarial assumptions

Principal actuarial assumptions at the reporting date

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate	6.50%	7.10%
Salary escalation rate	10.00%	10.00%
Attrition rate:		
- Annual CTC is below 1 million	49.00%	56.00%
- Annual CTC is between 1 million to 3 million	33.00%	27.00%
- Annual CTC is between 3 million and above	18.00%	17.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Retirement Age (years)	60	58

(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 2025		For the year ended 31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%)	46.28	49.77	33.38	35.74
Salary Growth Rate (-/+ 1%)	49.40	46.56	35.47	33.58
Attrition Rate (-/+ 50% of attrition rates)	40.91	61.61	31.09	42.19
Mortality Rate (-/+ 10% of mortality rates)	47.97	47.96	34.52	34.51

(iii) The expected future cash flows in respect of gratuity

Projected benefits payable in future years from the reporting date	As at 31 March 2025	As at 31 March 2024
1st following year	12.53	11.68
2nd to 5th year	31.84	20.48
6th to 10 years	12.38	8.80
More than 10 years	6.08	4.76

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.

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36. INCOME TAXES

A. Amount recognized in Statement of Profit or Loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
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 2025	For the year ended 31 March 2024
Remeasurement of the net defined benefit liability/asset	-	-
Tax (expense)/benefit	**-**	**-**

C. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Loss before tax	(2,218.37)	(1,422.36)
Tax amount at the enacted income tax rate	25.17%	25.17%
Expected income tax expense at statutory tax rate	**-**	**-**
Income tax expense recognised in Statement of Profit and Loss	**-**	**-**

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 2025	As at 31 March 2024
Advance income tax and tax deducted at source	117.47	36.33
Provision for taxes	-	-
Net income tax asset/(liability) at the end of the year	**117.47**	**36.33**

E. Deferred tax assets/liabilities:

Movement of deferred tax assets/liabilities presented in the balance sheet

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax assets on:		
Provision for compensated absences, gratuity and other employee benefits	16.08	13.70
Excess of depreciation provided for in the books over the depreciation allowed under the Income tax laws	57.61	81.87
Lease liabilities (net of Right-to-use asset) under Ind AS 116	141.88	70.19
Brought forward losses of earlier years	1,516.10	1,250.82
Gross deferred tax assets	**1,731.67**	**1,416.57**
Net deferred tax liabilities/(assets)	**(1,731.67)**	**(1,416.57)**

In absence of reasonable certainty of taxable income in future years, during the year ended 31 March 2025 and 31 March 2024, the Group has not created deferred tax asset.

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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. Roopa Hegde, Company Secretary (upto 14 April 2023) Ms. Jasmeet Saluja, Company Secretary (w.e.f. 19 March 2024) Mr. Vipin Sharma, Chief Merchandising Officer Mr. Sudeep Nagar, Chief Operating Officer
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. Sonia Gupta, Relative of Director
Mrs. Hemant Dahiya, Relative of Director
Mr. Pankaj Vermani, Relative of Director
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 2025	For the year ended 31 March 2024
Remuneration paid/accrued to KMP's and Directors		
Mr. Gaurav Singh Kushwaha	30.83	24.25
Mr. Rumit Dugar	14.79	14.48
Mr. Vipin Sharma	13.24	14.11
Mr. Sudeep Nagar	13.87	14.40
Ms. Roopa Hegde	-	0.02
Ms. Jasmeet Saluja	1.75	0.06
Mr. Rajesh Kumar Dahiya	1.70	-
Mr. Rohit Bhasin	1.75	-
Ms. Neha	1.80	-
Sitting fees		
Mr. Rajesh Kumar Dahiya	0.55	-
Mr. Rohit Bhasin	0.50	-
Ms. Neha	0.45	-
ESOP cash-settled		
Mr. Vipin Sharma	-	6.15
Mr. Sudeep Nagar	-	109.61

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For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

ii) Related party transactions (Contd.)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
ESOP exercised*		
Mr. Rumit Dugar	61.22	-
Mr. Vipin Sharma	40.39	-
Mr. Sudeep Nagar	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	
Sale of products		
Mr. Gaurav Singh Kushwaha	-	0.02
Mr. Vikram Gupta	0.01	0.09
Mr. Vipin Sharma	0.13	0.06
Mr. Sudeep Nagar	0.17	0.01
Mrs. Arpita Tomar	3.83	3.37
Mrs. Poonam Dugar	0.05	0.01
Ms. Neha	0.09	-
Ms. Mallika Dahiya	0.27	-
Mrs. Duhita Nath	3.19	-
Mrs. Shikha Parikh	1.78	0.09
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	For the year ended 31 March 2025	For the year ended 31 March 2024
Payables to KMP's		
Mr. Gaurav Singh Kushwaha	3.60	1.25
Mr. Rumit Dugar	0.96	0.48
Mr. Vipin Sharma	0.96	0.48
Mr. Sudeep Nagar	0.96	0.48
Ms. Jasmeet Saluja	0.09	0.06
Receivables from Directors		
Mrs. Duhita Nath	3.19	-

* ESOP exercised represents taxable amount.

Note:

(i) The Group has not written off or written back any related party balances.

(ii) 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.

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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 2025	For the year ended 31 March 2024
Loss after tax for calculating basic and diluted EPS	(2,216.69)	(1,422.36)
Weighted average number of shares (refer note below) (refer Note 18 (a))	27,799,051	18,151,940
Earnings per share		
- Basic (Rupees/share)	(79.74)	(78.36)
- Diluted (Rupees/share)	(79.74)	(78.36)

Note: The impact of potential conversion of preference shares and ESOP into equity is anti-dilutive in nature 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 2025	For the year ended 31 March 2024
Weighted average number of equity shares of ₹ 1 each used for calculation of basic and diluted earnings per share (Refer Note 18 (a))	27,799,051	18,151,940

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.

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, and most recently amended and approved by shareholders in August 2024.

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 2025	For the year ended 31 March 2024
Outstanding at the beginning of the year	**2,446,853**	**1,894,796**
Options granted during the year	2,056,016	1,343,506
Options vested during the year	(903,797)	(774,012)

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For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

Employee stock options details as on the balance sheet date are as follows: (Contd.)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Options lapsed during the year	(50,403)	(17,437)
Outstanding at the end of the year	**3,548,669**	**2,446,853**
Weighted average exercise price per option	1	1

Reconciliation of vested options:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Outstanding at the beginning of the year	**2,981,752**	**2,662,775**
Options vested during the year	903,797	774,012
Options exercised during the year	(1,508,947)	(455,035)
Outstanding at the end of the year	**2,376,602**	**2,981,752**
Options exercisable at the end of the year	**2,376,602**	**2,981,752**

*During the previous year ended 31 March 2024, few employees requested to settle their rights to exercise the options in cash and the Company has accepted their request and settle their dues in cash instead of shares. The company had settled dues based on the fair value derived during the issue of series G CCPS. The incremental impact due to cash settlement is ₹ 218.51 per option.

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 3.61 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 2025	For the year ended 31 March 2024
No of options granted	2,056,016	1,343,506
Date of grant	17-May-24 04-Jun-2024 01-Aug-24 27-Sep-24 27-Nov-24	01-Apr-2023 03-Apr-2023 26-Sep-2023 01-Jan-2024 02-Mar-2024
Vesting Period	4 to 7 years	4 years
Dividend yield (%)	0%	0%
Volatility rate (%)	41.57%	46.53%
Risk free rate	6.44%	7.18%
Expected life of options (years)	4 to 7	4
Weighted average fair value of option per share	540.29	313.89

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.

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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 2025		As at 31 March 2024	
	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss
Financial assets				
Investments				
- Mutual Fund	-	508.35	-	-
- Equity shares and Prefernce Shares	85.56	-	-	-
Loans	-	-	0.39	-
Trade receivables	56.06	-	23.77	-
Cash and cash equivalents	487.75	-	591.35	-
Bank balances	1,381.18	-	473.61	-
Other financial assets	4,064.73	52.16	6,300.01	-
Total assets	**6,075.28**	**560.51**	**7,389.13**	**-**
Financial liabilities				
Borrowings	7,286.18	-	4,297.27	6.99
Gold on loan	-	3,865.53	4,424.61	-
Lease liabilities	7,996.49	-	4,889.24	-
Trade payables	1,647.35	-	2,167.49	-
Other financial liabilities	2,414.32	77.78	3,037.70	-
Total liabilities	**19,344.34**	**3,943.31**	**18,816.31**	**6.99**

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.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

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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 2025 and 31 March 2024.

Particulars	Date of valuation	Total	Level 1	Level 2	Level 3
FVTPL financial assets:					
Investments in Mutual Funds	As at 31 March 2025	508.35	508.35	-	-
Investments in Mutual Funds	As at 31 March 2024	-	-		
Call Option – in Subsidiary	As at 31 March 2025	52.16	-	52.16	-
Call Option – in Subsidiary	As at 31 March 2024	-	-	-	-

Particulars	Date of valuation	Total	Level 1	Level 2	Level 3
FVTPL financial liabilities:					
Optionally convertible preference shares measured at FVTPL	As at 31 March 2025	-	-	-	-
Optionally convertible preference shares measured at FVTPL	As at 31 March 2024	6.99	-	-	6.99
Gold Metal Loan	As at 31 March 2025	3,865.53	3,865.53	-	-
Gold Metal Loan	As at 31 March 2024	4,424.61	4,424.61	-	-
Derivative instruments in designated hedge accounting relationship	As at 31 March 2025	77.78	77.78	-	-
Derivative instruments in designated hedge accounting relationship	As at 31 March 2024	-	-	-	-

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 2025 and 31 March 2024.

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 liability component of Optionally Convertible Preference Shares is included at the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

iii) 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).

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(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.

Hedges Sell forward/future contracts:

Particulars	Nature of Hedge	Average rate (Per gram)	Quantity of hedge instruments (KGS)	Nominal amount (₹ in million)
31 March 2025	Fair value	8,861.49	370.00	3,278.75
31 March 2024	NA	-	-	-

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 31 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)

Commodity Price Risk	Carrying value of as at 31st March 2024		Maturity date	Impact of fair value hedge	Balance Sheet Disclosure
	Hedged item	Hedging Instrument			
Hedged item - fixed Gold	-	-	-	-	NA
Hedging Instrument - Derivatives	-	-	-	-	NA

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(b) Credit risk

Credit risk is the potential financial loss resulting from the failure of counterparties of the Group to settle its financial and contractual obligations, as and when they fall due.

The Group has an established process to evaluate the creditworthiness of its customers and prospective customers to minimize potential credit risk. Credit evaluations are performed by the Group before agreements are entered into with prospective customers.

The Group establishes an allowance amount for impairment that represents its estimate of losses in respect of trade and other receivables. The main component of this allowance is estimated losses that relate to Shop in Shop Customers. The allowance account is used to provide for impairment losses. Subsequently when the Group is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

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.

i) Expected credit loss (ECL) assessment for customers as at 31 March 2025 and 31 March 2024

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 2025	As at 31 March 2024
Gross carrying amount	56.06	25.37
Expected loss rate	0.00%	6.31%
Expected credit losses (Loss allowance provision)	-	1.60
Carrying amount of trade receivables (net of impairment)	**56.06**	**23.77**

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	1.60	-
Provision for expected credit loss	-	1.60
Provision for doubtful debt and other receivables	-	-
Write off of bad debts	(1.60)	-
Closing balance	**-**	**1.60**

ii) Cash and cash equivalents

The Group holds cash and cash equivalents of ₹ 487.75 million as at 31 March 2025 (31 March 2024 - ₹ 591.35 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.

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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.

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 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**

Particulars	Carrying amount	Total	0–12 months	1–2 years	2–5 years	More than 5 years
As at 31 March 2024						
Loans and borrowings	4,304.26	4,304.26	2,452.86	1,605.05	239.36	6.99
Gold on loan	4,424.61	4,424.61	4,424.61	-	-	-
Lease liabilities	4,889.24	4,889.24	588.06	655.13	1,977.81	1,668.24
Trade and other payables	2,167.49	2,167.49	2,167.49	-	-	-
Other financial liabilities	3,037.69	3,037.69	2,712.60	285.10	40.00	-
	18,823.29	**18,823.29**	**12,345.61**	**2,545.28**	**2,257.17**	**1,675.23**

ii) Financing arrangement

The Group had ₹ 632.01 million (31 March 2024 - ₹ 650.00 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 functionally currency is Indian rupees (₹). 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 result's 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 2025 (All amounts are in ₹ 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 2025 and 31 March 2024

Particulars	31 March 2025		31 March 2024	
	Foreign Currency	₹ in million	Foreign Currency	₹ in million
Financial liabilities				
Trade Payables:				
- US Dollars	-	-	0.05	3.29

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 2025	As at 31 March 2024
Variable-rate instruments	2,051.07	1,187.38
Total Borrowings	**2,051.07**	**1,187.38**

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 2025	(20.51)	20.51
Variable rate borrowings as at 31 March 2024	(11.87)	11.87

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 metal loan amounting to ₹ 3,865.53 million as at 31 March 2025 (31 March 2024 - ₹ 4,424.61 million).

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.

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.

Notes to the Consolidated financial statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, including interest-bearing loans and borrowings 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 2025	As at 31 March 2024
Total borrowings	7,286.18	4,304.26
Less: Cash and cash equivalents (refer note 16)	383.58	591.35
Less: Deposits with bank*	889.46	453.68
Adjusted net debt	**6,013.14**	**3,259.23**
Total equity	9,107.40	3,741.72
Adjusted net debt to adjusted equity ratio	**0.66**	**0.87**

* Other than deposits given as security against gold loan and bank guarantee.

44. ANALYTICAL RATIOS

Ratio	Methodology	As at 31 March 2025	As at 31 March 2024	% change from 31 March 2024 to 31 March 2025	Explanation for the variance
a) Current Ratio	Current assets over current liabilities	1.25	0.94	34%	Movement due to increase in current assets during the year.
b) Debt - Equity Ratio	Debt(4) over total shareholders' equity	1.68	2.46	-32%	Movement due to increase in share capital (H Series) during the year.
c) Debt Service Coverage Ratio	EBIT (1) over debt	(0.01)	(0.00)	63%	Movement due to increase in losses and borrowings
d) Return on Equity Ratio	PAT (3) over total average equity	-34.53%	-94.09%	63%	Movement due to increase in share capital (H Series) during the year.
e) Inventory Turnover Ratio	Cost of goods sold over average inventory	0.83	1.09	-24%	NA - as the movement is below 25%
f) Trade receivables turnover ratio	Revenue from operations over average trade receivables	443.48	735.86	-40%	Decrease on account of increase in trade receivables
g) Trade payables turnover ratio	Net credit purchases(5) over average trade payables	7.82	7.28	7%	NA - as the movement is below 25%
h) Net Capital Turnover Ratio	Revenue from operations over average working capital	10.48	(16.30)	164%	Movement on account of increase in inventory
i) Net Profit Ratio	Net profit over revenue	-12.53%	-11.24%	-12%	NA - as the movement is below 25%
j) Return on Capital Employed	PBIT (2) over average capital employed(6)	-1.01%	-0.95%	6%	NA - as the movement is below 25%
k) Return on Investment	Profit before tax over total assets	-6.23%	-5.80%	-7%	NA - as the movement is below 25%

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 Consolidated Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

45. RELATIONSHIP WITH STRUCK OFF COMPANIES

31 March 2025

There are no transactions with the struck off companies during the year ended 31 March 2025.

31 March 2024

Name of struck off company	Nature of transactions with the struck-off company	Balance outstanding	Relationship with the struck off company, if any, to be disclosed
Sausha R&D Private Limited	Payable	0.60	Nil[1]
Nova Technosys Private Limited	Payable	0.03	Nil[2]

1) During the financial year 2023-2024, the Company made purchases of ₹ 0.05 million, which was settled during the year and the opening balance remains outstanding as at year end.

2) There were no transactions made during the financial year 2023-2024, the opening balance remains outstanding as at year end.

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 2.17.

The information relating to revenue from external customers has been disclosed as given below:

Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Domestic	17,700.02	12,658.39
Export	-	-
Total	**17,700.02**	**12,658.39**

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. PHANTOM OPTION SCHEME

During the year 2016-17, the scheme titled "BlueStone Jewellery and Lifestyle Private Limited - Phantom Option Scheme 2016" (POS 2016) was approved by the Board of Directors.

The objective of the POS 2016 is to reward the former employees and non-employee associates for their contribution. Under the scheme, the Company had granted 109, 715 options to former employees and non-employee associates. During the year ended 31 March 2023, Board of directors had approved settlement by liquidating all of the outstanding options granted under the Phantom Options scheme for cash at a liquidation price of ₹ 2,453.55 per option.

Out of total liability, during the year ended 31 March 2024, the Company had paid ₹ 261.55 million and the balance amount is paid by the company during the year ended 31 March 2025 against liability towards Phantom options.

48. InnoVen Capital India Private Limited ("InnoVen") had granted loans to the Company. In connection with the Loan Agreements, the Company has entered into the agreement with InnoVen thereby InnoVen has right to subscribe (RTS) 64,967 shares of the Company. The Company and Innoven has mutually decided to terminate the RTS agreement against the settlement amount of ₹ 154.62 million.

During the year ended 31 March 2025, Company has discharged its liability towards right to subscribe shares.

49. COMMITMENTS AND CONTINGENCIES

Commitments

Estimated amount of Contracts remaining to be executed on capital account (net of advances) is ₹ 248.30 million (31 March 2024 - ₹ 212.83 million).

Contingent liabilities

As of the 31 March 2025 and 31 March 2024, the Group has assessed its obligations and confirms that there are no contingent liabilities requiring disclosure.

50. OTHER STATUTORY INFORMATION

Notes to the Consolidated financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

(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.

(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 2024	Movement during the period	As at 31 March 2025
Inter-corporate deposits								
Stride One Capital Private Limited	Others	Unsecured	ICD against vendor financing	9.00%	12 months	75.00	(75.00)	-
Blacksoil Capital Private Limited	Others	Unsecured	ICD against vendor financing	7.00%	12 months	-	31.25	31.25
Capsave Finance Private Limited	Others	Unsecured	FD lien against WCDL	NA	12 months	20.00	-	20.00

Name of the entity	Nature of relationship	Purpose	As at 1 April 2024	Investment made during the period	Investment sold/ impaired during the year	As at 31 March 2025
Investments						
Ethereal House Private Limited	Subsidiary	Strategic investment	-	167.98	-	167.98
Redefine Fashion Private Limited	Associate	Strategic investment	-	105.00	-	105.00

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025 (All amounts are in ₹ million unless otherwise stated)

(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	98.26%	9,133.44	99.69%	(2,192.14)	100.00%	(8.10)	99.69%	(2,200.24)
Subsidiary								
Ethereal House Private Limited	1.74%	161.34	0.31%	(6.85)	-	-	0.31%	(6.85)
	100.00%	**9,294.78**	**100.00%**	**(2,198.99)**	**100.00%**	**(8.10)**	**100.00%**	**(2,207.09)**
Adjustment on account of consolidation		(252.71)		(1.62)		-		(1.62)
Non-controlling interest in subsidiary		(39.66)		1.68		-		1.68
Associate								
Redefine Fashion Private Limited		105.00		(19.44)		-		(19.44)
Total		**9,107.40**		**(2,218.37)**		**(8.10)**		**(2,226.47)**

51. 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	51.19%

Particulars	As at 31 March 2025
Total comprehensive profit/(loss) for the year	**(37.98)**
Group's share of total comprehensive profit/(loss) for the year	(19.44)

52. AUDIT TRAIL COMPLIANCE

The Holding Company has used certain accounting software(s) 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 relevant transactions recorded in the software(s). Further, there were no instance of audit trail features being tampered with at the application level. Additionally, the audit trail has been preserved by the Holding Company as per the statutory requirements for record retention for application level.

However, with respect to the database level for the said software(s) which has been managed and maintained by a third-party service provider (Microsoft Azure and AWS), the management is not in possession of an examination report to determine whether the audit trail feature of the said software was enabled and operated throughout the year at database level.

The subsidiary and associate company was incorporated during the financial year ending 31 March 2025 and did not have material business activities during the period i.e. from incorporation date till the date of financial year end. For the said

Notes to the Consolidated financial statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

period, the subsidiary company maintained its books of account using an off the shelf accounting software that did not have an audit trail (edit log) feature and in respect of the associate company the management has used an accounting software (maintained by third-party service provider) which has a feature of recording audit trail (edit log) facility as confirmed by the service provider, however, the management is not in possession of the examination report to assess whether the audit trail feature for the said software(s) was enable and operated throughout the year at application and database level.

Further, management is currently evaluating the implementation of formal measures including migrating to new accounting software to demonstrate compliance with respect to audit trail features.

The audit trail of prior year is not applicable to the subsidiary and associate company, as per the statutory requirements for record retention prescribed under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as, the Company is incorporated in the financial year 31 March 2025.

53. MAINTENANCE OF BOOKS OF ACCOUNTS ON SERVER IN INDIA

As per the MCA notification dated 05 August 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all times. Also, the Companies are required to maintain such back-up of accounts on servers which are physically located in India, on a daily basis. The books of account along with other relevant records and papers of the Group are currently maintained in electronic mode. These are readily accessible in India at all times and back-up is maintained on a daily basis on servers located in India, in order to comply with the requirements of the above notification.

54. FAIR VALUE OF CONTINGENT CALL OPTIONS

As at 31 March 2025, 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.

Valuation Methodology

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.

Accounting Treatment:

The fair value of ₹ 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.

55. ESOP TRUST AND TREASURY SHARES

The Company has categorized 3,223,260 equity shares held by BlueStone Trust (formerly known as BlueStone Jewellery and Lifestyle Limited Management Stock Transfer trust) as 'treasury shares' in compliance with applicable Indian Accounting Standards. As of 31 March 2025, the Trust has transferred all of its holdings to its employees and its beneficiaries and no longer possesses any shares in the Company.

56. ACQUISITION OF ETHEREAL HOUSE PRIVATE LIMITED (EHPL)

During the year, the Company 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.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

(All amounts are in ₹ million unless otherwise stated)

57. INVESTMENT IN SUBSIDIARY AND ASSOCIATE

During the year, the Company had acquired 100 fully paid equity shares of ₹ 10 each and 61,567 fully paid compulsory convertible preference shares of ₹ 10 each of Ethereal House Private Limited (EHPL) on a premium of ₹ 2,714 per share aggregating to total consideration of ₹ 167.98 million on a preferential basis pursuant to the Shares Subscription Agreement dated 06 January 2025 ("Agreement").

Also, the Company had acquired 100 fully paid equity shares of ₹ 1 each and 170,526 fully paid compulsory convertible preference shares of ₹ 1 each of Redefine Fashion Private Limited on a premium of ₹ 614.38 per share aggregating to total consideration of ₹ 105.00 million on a preferential basis pursuant to the Shares Subscription Agreement dated 11 November 2024 ("Agreement").

58. EVENTS AFTER THE REPORTING PERIOD

The Group evaluated all events or transactions that occurred after 31 March 2025 up through 24 April 2025, 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.

59. 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
Chartered Accountants
Firm registration number: 105047W

Ankush Agrawal
Partner
Membership No.: 159694

Place: Bangalore
Date: 24 April 2025

For and on behalf of Board of Directors of
BlueStone Jewellery and Lifestyle Limited
CIN: U72900KA2011PLC059678

Gaurav Singh Kushwaha
Managing Director & CEO
DIN No: 01674879

Place: Bangalore
Date: 24 April 2025

Sameer Dilip Nath
Director
DIN No: 07551506

Place: Mumbai
Date: 24 April 2025

Rumit Dugar
Chief Financial Officer

Place: Bangalore
Date: 24 April 2025

Jasmeet Saluja
Company Secretary
Membership No.: 46206

Place: Mumbai
Date: 24 April 2025