

GGL/SE/2025-26/P26

Date: September 05, 2025

To,  
General Manager  
Department of Corporate Services  
BSE Limited  
Listing Operations (Equity),  
P. J. Towers, Dalal Street,  
Mumbai – 400 001

Dear Sir/Madam,

**Subject:** 1. Compliance under Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"); Electronic copy of the Notice of the 12th Annual General Meeting ("12th AGM") and Annual Report for the financial year ended 31st March 2025; and

2. Intimation of cut-off date of 20th September 2025 to determine the eligibility of the members to cast their vote through remote e-Voting and e-Voting during the 12th AGM

**Ref:** Gautam Gems Limited (BSE Script Code: 540936)

With reference to the above-mentioned subject, we wish to inform you that the 12th Annual General Meeting (AGM) of the Company will be held on Saturday, 27th September 2025 at 3:00 PM (IST) through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) facility, in accordance with applicable circulars issued by the Ministry of Corporate Affairs and SEBI.

Please find enclosed herewith the electronic copy of the Notice of the 12th AGM along with the Annual Report for the financial year ended 31st March 2025. These documents are being sent by email to those shareholders whose email addresses are registered with the Company/Depository Participant(s).

Notice of the 12th AGM and the Annual Report for the financial year ended 31st March 2025 are also being uploaded on the website of the Company at [www.gautamgems.com](http://www.gautamgems.com) and National Securities Depository Limited at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).



## **The Details of E Voting**

In Compliance with provision of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is pleased to provide its members the facility to cast their votes by remote e-voting and e-voting during AGM, provided by NSDL, on the resolutions as set forth in the Notice of AGM. The instructions for e-voting are also available in the Notice.

The information pertaining to the e-voting is motioned herein below

Particulars	Details
<b>Cut-off Date for e-Voting / attending &amp; e-Voting at AGM</b>	Saturday, 20th September 2025
<b>Commencement of Remote e-Voting</b>	From 9:00 a.m. (IST) on Monday, 22nd September 2025
<b>End of Remote e-Voting</b>	Up to 5:00 p.m. (IST) on Friday, 26th September 2025 <i>(Remote e-voting will not be allowed beyond this time)</i>
<b>Date &amp; Time of AGM</b>	Saturday, 27th September 2025 at 3:00 p.m. (IST)

Please take the same on record.

**Thanking you,  
For Gautam Gems Ltd**

**Gautam P. Sheth  
Managing Director  
DIN: 06748854**

**Encl.: As Stated**



# Gautam Gems Ltd



## ANNUAL REPORT 2024–25





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## **From the Managing Director's Desk**

**Mr. Gautam Sheth**

**Managing Director, Gautam Gems Limited**

**Dear Shareholders,**

It is with immense pride and gratitude that I present to you the Annual Report of Gautam Gems Limited for the financial year ended March 31, 2025. This year marked yet another milestone in our ongoing journey of resilience, innovation, and sustainable value creation.

The diamond industry, much like the stones it polishes, endures great pressure to emerge more refined and radiant. This year was no different. Amidst global macroeconomic challenges, shifting demand dynamics and regulatory evolutions, we remained grounded in our core values—integrity, precision, and transparency. We adapted with agility, sharpened our strategies, and continued to uphold our legacy of excellence in the diamond manufacturing and trading sector.

At Gautam Gems, we believe that trust is the most valuable gem of all. We have built enduring relationships with our clients across continents—relationships that reflect our unwavering commitment to quality, timely delivery and ethical practices. During FY 2024-25, our business continued to focus on enhanced inventory management and greater alignment with compliance standards.

This year, we have taken strides toward workforce development. Our strength lies not only in our assets but in our people. We have invested in upskilling initiatives, encouraged employee well-being, and embraced inclusivity across roles. Our workforce—skilled artisans, and administrative professionals—forms the backbone of our growth and vision.

Financially, we maintained a steady momentum. Despite headwinds in global markets, the company has managed to deliver consistent results through disciplined operations and strategic cost controls. Our focus on maintaining a lean balance sheet, efficient capital deployment, and operational sustainability has started yielding visible results.

On the governance front, we have remained vigilant and committed. Our Board, now strengthened by diversity and independent voices, ensures rigorous oversight and guides the company in alignment with shareholder interests and long-term objectives. I would also like to take this opportunity to thank our Promoters, Ms. Nidhi Sheth and myself, for the trust reposed in our team and vision.

As we look ahead, we are optimistic yet pragmatic. Our focus will remain on unlocking long-term value, diversifying product lines, investing in R&D, embracing technology, and continuing our journey toward becoming a global benchmark in the diamond trade.

To our stakeholders—shareholders, customers, employees, partners, and regulators—thank you for your unwavering trust and support. Your belief strengthens our resolve to dream bigger, work harder, and shine brighter.

**With warm regards,  
Gautam Sheth  
Managing Director  
Gautam Gems Limited**





## Our Heritage and Journey

### Our Roots and Guiding Philosophy

Gautam is derived from Sanskrit, symbolizing enlightenment, wisdom, and clarity. As the name suggests, **Gautam Gems Limited stands firmly on the pillars of ethical practices, sharp vision and consistent pursuit of excellence.** The Company has earned a distinguished reputation in the diamond industry for its steadfast focus on quality, precision and reliability. What began as a traditional diamond business has grown into a professionally governed enterprise, blending legacy values with modern business systems to cater to global demands. With its base in Surat, Gujarat—India’s diamond hub—Gautam Gems has transformed from a family-driven entity into an organization recognized for its integrity, operational transparency, and excellence across the diamond value chain.



### Incorporation and Corporate Evolution

Gautam Gems Limited was incorporated as “Gautam Gems Private Limited” on February 18, 2014, under the Companies Act, 2013, by Mr. Gautam P. Sheth, who has been deeply involved in the diamond business since 2002, in partnership with his wife, Ms. Nidhi G. Sheth. Recognizing the growing need for structure and



accountability in the natural diamond trade, they envisioned a company that would lead with discipline and credibility. This vision took a significant step forward when the Company was converted into a public limited entity, and its name changed to “Gautam Gems Limited” on August 16, 2017, as per a fresh certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

### Market Milestones and Listing Journey

With a robust foundation and market confidence, the Company successfully launched its Initial Public Offering (IPO) on the SME Platform of BSE Limited, listing its shares for public trading on February 7, 2018, under the Scrip Code 540936 and ISIN INE063Z01017. This listing was a pivotal moment, marking the Company's transition into a more transparent and accountable business. With continued growth and evolving corporate maturity, the equity shares of Gautam Gems Limited migrated to the Main Board of BSE on December 10, 2020, following shareholder approval.

This move symbolized a new phase of growth, visibility, and long-term strategic focus.



### Business Model and Core Activities



Founded with the objective of manufacturing and trading in both rough and polished diamonds, Gautam Gems Limited has built a comprehensive and vertically integrated diamond business model. The Company offers a broad and diverse range of diamonds in various shapes, cuts, sizes, and colors, ranging from 0.18 carats to over 15 carats, with grading precision tailored to client specifications. The product portfolio addresses the dynamic requirements of domestic and international customers, including wholesalers, jewellery manufacturers, and luxury boutique brands. Gautam Gems specializes in rough diamond assorting,

cleaving, laser cutting, polishing, and trading of high-quality polished diamonds. Its strict quality assurance protocols at every stage of the value chain ensure that only the finest diamonds are delivered to clients.

## Manufacturing Excellence and Infrastructure

The Company's primary operations are concentrated in Surat, Gujarat, the world's leading diamond processing center. Leveraging this geographic advantage, Gautam Gems operates through a blend of owned and outsourced manufacturing units that are equipped with advanced tools, machinery, and highly skilled artisans. This structure allows the Company to maintain flexibility, uphold premium craftsmanship and ensure faster delivery cycles. The integration of traditional craftsmanship with modern production techniques ensures that the Company remains competitive while preserving the artistry of diamond cutting and polishing.



## Promoters and Leadership



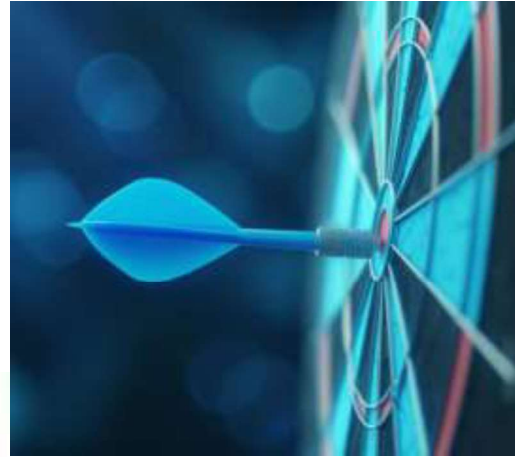
Gautam Gems Limited thrives under the leadership of its visionary promoters, Mr. Gautam P. Sheth and Ms. Nidhi G. Sheth. With more than two decades of hands-on experience in the diamond industry, they bring strategic foresight, deep sector knowledge, and a relentless drive for excellence. Their joint leadership has not only driven the Company's growth but also built a strong corporate culture based on trust, integrity, and transparency.

As of March 31, 2025, the Board of Directors includes a team of accomplished professionals with expertise across various business disciplines including finance, risk management, compliance, legal, and operations. The Company has a well-

balanced board structure that complies with applicable laws and regulatory standards. Board committees such as the Audit Committee, Stakeholders Relationship Committee, and Nomination and Remuneration Committee are duly constituted and function in accordance with the SEBI (LODR) Regulations, ensuring robust governance, accountability, and responsible oversight of business decisions.

## Our Vision and Values

The Company's vision is to emerge as a globally trusted name in the natural diamond sector by offering consistent quality, operational excellence and customer satisfaction. At its core, Gautam Gems Limited is built on values such as integrity, innovation, quality, and transparency. These values guide every transaction, client relationship, and strategic decision. The Company is deeply committed to ethical sourcing practices and ensures that all diamonds are procured through conflict-free and legitimate channels. By maintaining these values, Gautam Gems continues to build lasting relationships with clients, suppliers, and stakeholders, fostering mutual trust and shared growth.



## Business Model and Operations



The Company's operations span the full lifecycle of the diamond supply chain, from procurement of rough diamonds to processing, grading and sale of finished polished stones. Its client portfolio includes wholesalers, manufacturers and design studios across global markets. Operations are conducted through both owned and contract-based units that are equipped with modern infrastructure, ensuring flexibility and quality assurance. With its

base in Surat, Gautam Gems benefits from proximity to key industry networks, skilled talent, and logistical efficiency.

Through its vertically integrated approach, the Company ensures value addition at every stage—whether it is rough diamond sourcing from trusted suppliers, advanced processing using precision tools or final distribution through established market channels. This structure not only enhances product quality but also enables competitive pricing and timely deliveries. The Company remains agile and responsive to changing customer preferences, making it a preferred partner in the highly competitive diamond marketplace.



## Financial Performance Overview

The financial year 2024–25 was a year of resilience and operational consolidation for Gautam Gems Limited. Amid a challenging global economic environment and fluctuations in demand for natural diamonds, the Company demonstrated stability in its performance. The Company recorded total revenue of approximately ₹78 crore during the fiscal year, reflecting strategic focus on efficiency and profitability. While profit margins remained modest, operational improvements and disciplined cost management helped maintain a positive bottom line. The Company did not engage in any external capital raising during the year, relying instead on internal accruals and controlled capital allocation strategies.



Gautam Gems continued to maintain a conservative financial structure, with minimal debt exposure and adequate liquidity reserves. The Company's prudent approach to working capital, combined with supply chain efficiencies, contributed to its stable operating cash flows. The focus on profitability, sustainable growth, and financial discipline enabled the Company to stay well-positioned in an increasingly competitive landscape.

## Human Resources and Workplace Culture



Gautam Gems Limited believes that its people are its greatest strength. The Company has cultivated a positive, performance-driven, and inclusive work environment where innovation and learning are encouraged at all levels. The workforce includes experienced artisans, trained grading professionals, quality control experts, and corporate support staff. Regular training programs, employee welfare initiatives, and skill development workshops ensure that employees remain aligned with industry standards and future-ready.

As of March 31, 2025, the Company did not face any material labor disputes or operational disruptions, reflecting high levels of employee engagement and satisfaction. Fair compensation, career growth opportunities and a strong emphasis on workplace safety have contributed to a committed and motivated team that plays a pivotal role in achieving the Company's strategic goals.

## Industry Outlook and Strategic Focus

The global diamond industry continues to evolve, driven by increasing consumer demand for traceability, sustainable sourcing and digital engagement. Gautam Gems Limited is proactively aligning its operations with these emerging trends by strengthening its ESG (Environmental, Social, and Governance) frameworks, investing in technology, and increasing transparency across its supply chain. With a long-term vision to expand its global footprint, the Company is exploring new geographies, enhancing customer partnerships, and adopting advanced manufacturing and grading technologies.



The strategic priorities for the upcoming years include strengthening brand recognition, increasing digital capabilities, improving operational efficiencies, and deepening customer trust. Gautam Gems remains committed to responsible growth, innovation, and excellence—ensuring it continues to shine as a trusted and enduring name in the world of natural diamonds.

## **CORPORATE INFORMATION - GAUTAM GEMS LIMITED**

### **Board of Directors**

Mr. Umeshbhai Rasiklal Gor – Chairperson  
Mr. Gautam Pravinchandra Sheth- Managing Director  
Mrs. Nidhi Gautam Sheth- Executive Director  
Mr. Pravin Manilal Parekh- Independent Director  
Mr. Harshit Hasmukhbhai Vadecha- Independent Director

### **Senior Management**

Mr. Gautam Pravinchandra Sheth – Managing Director  
Mr. Dishant Daxeshbhai Jagad- Chief Financial Officer  
Ms. Krina Thakkar – Company Secretary and Compliance Officer

### **Statutory Auditors**

M/s. AKGVG & Associates  
M/s. Shah Karia & Associates

### **Secretarial Auditors**

M/s. Neelam Somani & Associates

### **Internal Auditor**

Mr. Dishant Daxeshbhai Jagad

### **Registrar and Share Transfer Agent**

KFin Technologies Limited

### **Listing of Securities**

BSE Limited

### **Bankers**

Axis Bank  
Central Bank of India  
ICICI Bank  
INDUSIND Bank  
Yes Bank

### **Registered Office**

301, Sumukh, 3rd Floor, Vasta Devadi Road,  
Super Compound, Surat, Gujarat, 395004

**CIN:** L36911GJ2014PLC078802

**Script Code:** 540936



**GAUTAM GEMS LIMITED**  
**Registered Office: 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi**  
**Road, Surat -395004 Gujrat**  
**CIN: L36911GJ2014PLC078802**  
**Email- [complianceggl@gmail.com](mailto:complianceggl@gmail.com) Phone No.: 0261-2538046 Website: [www.gautamgems.com](http://www.gautamgems.com)**

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**NOTICE OF 12<sup>th</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 12<sup>th</sup> Annual General Meeting ("AGM") of the Members of Gautam Gems Limited will be held on Saturday, September 27, 2025 at 3:00 PM through video conferencing mode /Other Audio Visual Means ("VC/OAVM") and the venue of the meeting shall be deemed to be the Registered Office of the company at 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat -395004 Gujrat, to transact the following business:

**ORDINARY BUSINESS**

**1. Adoption of Audited Standalone Financial Statements**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2025 including Audited Balance Sheet as at March 31, 2025 together with the Reports of the Board of Directors and the Auditors thereon.

**2. Re-appointment of a Director**

To appoint a Director in place of Mr. Gautam Sheth (DIN: 06748854), who retires by rotation, in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re appointment.

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Gautam Sheth (DIN: 06748854), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a director of the company, liable to retire by rotation”

**3. To appoint Statutory Auditors of the Company and fix their remuneration:**

To consider and if thought fit, approve the appointment of M/s. Shah Karia & Associates, as Statutory Auditor of the Company for a term of five years and to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013, read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions of the Act and the rules made thereunder (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, the consent of the members of the

Company be and is hereby accorded to appoint M/s. Shah Karia & Associates (Firm Registration No. 131546W), Chartered Accountants, as the Statutory Auditors of the Company for a period of five (5) consecutive years to hold office from the conclusion of the 12th (Twelfth) Annual General Meeting until the conclusion of the 17th (Seventeenth) Annual General Meeting of the Company, to be held in the year 2030, at such remuneration (exclusive of applicable taxes and reimbursement of out-of-pocket expenses) as may be fixed by the Board of Directors in consultation with the said auditors.

**RESOLVED FURTHER THAT** the Statutory Auditors shall conduct the audit of the accounts of the Company for the financial years commencing from FY 2025–26 to FY 2029–30.

**RESOLVED FURTHER THAT** any Director of the Company be and is hereby authorized to do all such acts, deeds, matters, and things as may be necessary, expedient, or incidental to give effect to this resolution, including filing necessary e-forms with the Registrar of Companies.”

## SPECIAL BUSINESS

### 4. To appoint Secretarial Auditors of the Company and fix their remuneration:

To consider and if thought fit, approve the appointment of M/s. Neelam Somani & Associates, Practicing Company Secretary as Secretarial Auditor of the Company for a term of five years and to pass with or without modification(s), 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, read with the rules framed thereunder, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (including any statutory modification(s), amendment(s), or re-enactment(s) thereof for the time being in force), and based on the recommendation of the Board of Directors, the consent of the members of the Company be and is hereby accorded to appoint M/s. Neelam Somani & Associates, Practicing Company Secretaries (CP No. 12454 and Peer Review Certificate No. 5612/2024), as the **Secretarial Auditors** of the Company for a period of five (5) consecutive financial years commencing from FY 2025–26 to FY 2029–30, on such remuneration and reimbursement of out-of-pocket expenses as may be approved by the Audit Committee and/or the Board of Directors.

**RESOLVED FURTHER THAT** the members of the Company do hereby authorize the Board of Directors to obtain such other certifications, reports, opinions, or advisory services from the said Secretarial Auditors, as may be permitted under applicable laws, for such additional remuneration and on such terms as may be mutually agreed upon and approved by the Audit Committee and/or Board of Directors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, and things, and to take all such steps as may be necessary, proper, or expedient to give effect to this resolution, including resolving any questions, doubts, or difficulties that may arise in this regard.”

**Place: Surat**  
**Date: 04/09/2025**

**For and on behalf of the Board of Directors**  
**Gautam Gems Limited**

Sd/- <b>Gautam P. Sheth</b> Managing Director	Sd/- <b>Nidhi G. Sheth</b> Whole-time Director
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**NOTES:**

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated May 5, 2022, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and 9/2024 dated September 19, 2024 (“MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, SEBI/HO/CRD/PoD-2/P/CIR/2023/4 dated January 5, 2023, Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 issued by the Securities Exchange Board of India (“SEBI Circular”) prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the 12<sup>th</sup> Annual General Meeting (“AGM”) of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 20 and available at the Company’s website: [www.gautamgems.com](http://www.gautamgems.com)
2. The helpline number regarding any query /assistance for participation in the AGM through VC/OAVM is 022 - 4886 7000
3. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies



Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and revised Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI), in respect of the person seeking appointment at this AGM are also annexed. Requisite declarations have been received from the Directors seeking appointment.

4. Pursuant to the provisions of the Companies Act, 2013 (“Act”) a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with.

Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice.

5. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution / Authorization, etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting to the M/s. KFin Technologies Limited, the Registrar and Transfer Agent, by email through its registered email address to [einward.ris@karvy.com](mailto:einward.ris@karvy.com) or [complianceggl@gmail.com](mailto:complianceggl@gmail.com).
6. Copies of the Balance Sheet, Statement of Profit and Loss, Directors’ Report, Auditor’s Report, and all other documents required under the applicable provisions to be annexed or attached to the Balance Sheet for the financial year ended March 31, 2025, have been duly annexed/attached.
7. The Members can join the AGM in the VC/OAVM, 15 minutes before and up to 30 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
9. In case of joint holders, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the meeting.

10. In accordance with aforesaid MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Integrated Annual Report 2024-25 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. The Notice convening the AGM along with the Integrated Report & Annual Accounts 2024-25 will also be available on the website of the Company at [www.gautamgems.com](http://www.gautamgems.com), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and Notice of AGM can be accessed from the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Printed copies of the annual report (including the Notice) are not being sent to the members in view of the e-AGM circulars.
11. Members are requested to intimate changes, if any, pertaining to their name, postal address with pin code, if any, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form. To support the Green initiative, Members are requested to register their e-mail addresses with their concerned DPs, in respect of electronic holding and with RTA, in respect of physical holding. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs/RTA for all future communications.
12. SEBI has, vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2021/655 dated November 3, 2021 and subsequent Circulars issued in this regard, mandated to furnish PAN, KYC details (i.e. full address with pin code, mobile no., email id, bank details) and Nomination details by holders of physical securities, if any through Form ISR-1. In order to mitigate unintended challenges on account of freezing of folios, SEBI has, vide its Circular dated November 17, 2023, done away with the provision regarding freezing of folios that have not registered their PAN, KYC and Nomination details.
13. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company had stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialization.  
  
Further, Members may please note that SEBI has mandated listed companies to issue securities in demat form only while processing any service requests viz. issue of duplicate securities certificate; claim from Unclaimed Suspense Account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 / ISR-5. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant.
14. 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. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he / she may submit the same in Form ISR-3 or SH-14 as the case may be. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, if any.
15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.
16. The members are requested to send all their communications to the Registrar & Share Transfer Agent M/s KFin Technologies Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana, 500032 or at the Registered Office of the Company at Office - 301, Sumukh, 3rd Floor, Vasta Devadi Road, Super Compound, Surat, Gujarat, 395004. For any communication, the shareholders may also send requests to the Company's investor email id: [complianceggl@gmail.com](mailto:complianceggl@gmail.com).
17. The Board of Directors have appointed M/s. Neelam Somani & Associates, Practicing Company Secretaries, (Membership No. FCS 10993) as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within two working days from the conclusion of remote e-voting and the same. The result declared along with the Scrutinizer's report shall be communicated to the stock exchange, NSDL and RTA, and will also be displayed on the Company's website, [www.gautamgems.com](http://www.gautamgems.com)
18. Electronic copy of 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 AGM. Further, the relevant documents referred to in the Notice of this AGM and explanatory statement will also be available electronically for inspection by the Members upto the date of the AGM.
19. SEBI has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to this, post exhausting the option to resolve their grievance with the RTA / Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

**20. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING (BEFORE AND DURING THE AGM) AND JOINING GENERAL MEETING ARE AS UNDER: -**

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/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 Circulars, EGM/AGM shall be conducted through VC / OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/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 EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. 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) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. 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 e-voting on the date of the EGM/AGM will be provided by NSDL.



6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.gautamgems.com](http://www.gautamgems.com). 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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time

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

The remote e-voting period begins on Monday, September 22, 2025 at 9:00 A.M. and ends on Friday, September 26, 2025 at 05:00 P.M. 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. September 20, 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 September 20, 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 <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a> . 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.

	
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>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 &amp; voting during the meeting. Additionally, there is 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.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>

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.
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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 <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> 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](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto: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 [neelamsomani90@gmail.com](mailto:neelamsomani90@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://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](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre at [evoting@nsdl.com](mailto: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 [complianceggl@gmail.com](mailto:complianceggl@gmail.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 ([complianceggl@gmail.com](mailto:complianceggl@gmail.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](mailto: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 EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote 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 EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/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 EGM/AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/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 Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
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.

5. 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 (complianceggl@gmail.com). The same will be replied by the company suitably.

**Place: Surat**  
**Date: 04/09/2025**

**For and on behalf of the Board of Directors**  
**Gautam Gems Limited**

**Sd/-**  
**Gautam P. Sheth**  
**Managing Director**

**Sd/-**  
**Nidhi G. Sheth**  
**Director**

## Annexure to the Notice

Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India in respect of Directors seeking re-appointment/appointment/confirmation at the ensuing Annual General Meeting are as follows:

<b>Name of Director</b>	<b>Mr. Gautam Pravinchandra Sheth</b>
<b>Date of Birth</b>	19-05-1982
<b>Date of Appointment</b>	18-02-2014
<b>Qualification</b>	BBA
<b>Brief Profile</b>	Mr. Gautam P. Sheth is the Promoter and Managing Director of our company. He holds a Bachelor of Commerce degree from the University of Mumbai and began his career at the age of 19 in the diamond industry. He gained hands-on experience in Cutting, Polishing, and Assortment of Rough and Polished Diamonds in Surat and Antwerp. To further enhance his knowledge, he completed a specialized course from the Gemological Institute of America (GIA) in Polished Diamonds.
<b>Terms &amp; Conditions of Appointment / Re-appointment</b>	Mr. Gautam Sheth is re-appointed under section 152(6) of the Companies Act and is liable to retire by rotation
<b>Remuneration last drawn</b>	Rs. 3,00,000.00/-
<b>Relationships between Directors inter-se</b>	He is Spouse of Nidhi Sheth
<b>Directorship held in other companies</b>	Ardi Investment And Trading Co Limited PPA Jewellers Private Limited
<b>No. of shares held in the Company</b>	1,00,50,706
<b>Information as required under circular No. LIST/COMP/14/2018-19 dated June 20, 2018 issued by BSE.</b>	Mr. Gautam Sheth is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

Place: Surat  
Date: 04/09/2025

For and on behalf of the Board of Directors  
Gautam Gems Limited

Sd/-  
Gautam P. Sheth  
Managing Director

Sd/-  
Nidhi G. Sheth  
Director

## EXPLANATORY STATEMENT (PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

The Explanatory statement pursuant to section 102 of the Companies Act, 2013 set out all material facts relating to the Special Business mentioned in the accompanying Notice are as follows:

### **Item No. 4: To appoint Secretarial Auditors of the Company and fix their remuneration:**

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (“the Act”) and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), M/s. Neelam Somani & Associates., Practicing Company Secretaries (Membership No. FCS 10993) has served as Secretarial Auditors of the Company for the financial year 2024-25.

Regulation 24A of the Listing Regulations, inter alia, provides that with effect from 1st April 2025, the Company 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 Auditor(s) must be a peer reviewed company secretary and should not have incurred any of the disqualifications as specified under the Listing Regulations. Further, as per the said Regulation, any association of the individual or the firm as the Secretarial Auditor(s) of the Company before 31st March 2025 shall not be considered for the purpose of calculating the tenure of the Secretarial Auditor(s).

M/s. Neelam Somani & Associates is a Practicing Company Secretary firm and having Over 10 Years of Post Qualification Experience in the field of Secretarial and Legal matters of various Companies. Exposure in conducting AGMs, EGMs, Board Meeting and Secretarial Audits well versed with Statutory Compliances under SEBI Regulations, Stock Exchange Listing Agreements, FEMA, Company Law and related Statutory Acts.

Taking into account the above experience and the consideration of factors such as technical skills, independence, industry experience, expertise, audit team, quality of audit practices, and past association with the Company, the Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of M/s. Neelam Somani & Associates, Practicing Company Secretaries (Membership No.: F10993 and COP No. 12454) as Secretarial Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of this AGM till the conclusion of 17<sup>th</sup> AGM of the Company to be held in the Year 2030, covering the period from the financial year ending on 31st March 2026 till financial year ending 31st March 2030, subject to the approval of the members of the Company.

The Company has received written consent from M/s. Neelam Somani & Associates confirming their eligibility and willingness to be appointed as the Secretarial Auditors of the Company. They have also confirmed that they meet the requirements to be appointed as the Secretarial Auditors in accordance with the provisions of the Act and Listing Regulations, and they hold a valid certificate issued by the Peer Review Board of ICSI and that they have not incurred any of the disqualifications as specified by the SEBI. The appointment, if made, complies with the applicable provisions of the Act and Listing Regulations.

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

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of the 12<sup>th</sup> AGM. Accordingly, the Board of Directors recommends aforesaid appointment to the members for their approval by way of an Ordinary Resolution as set out at Item No. 4 of the accompanying Notice of the 12th AGM.

**Place: Surat**  
**Date: 04/09/2025**

**For and on behalf of the Board of Directors**  
**Gautam Gems Limited**

**Sd/-**  
**Gautam P. Sheth**  
**Managing Director**

**Sd/-**  
**Nidhi G. Sheth**  
**Director**



## BOARD'S REPORT



To,  
**The Members of Gautam Gems Limited,**

The Directors are pleased to present their report along with the audited financial statements of Gautam Gems Limited for the financial year ended March 31, 2025.

This report outlines the business performance and operational highlights of the Company for the year under review, along with a summary of the financial results.

## 1. FINANCIAL RESULTS

The audited financial statements of the Company for the year ended March 31, 2025, have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013. A summary of the key financial highlights is presented below:

(Rs. In Lakhs)		
Particulars	FY 2024-25	FY 2023-24
Revenue from operations	7,834.01	10,134.08
Other income	16.49	24.44
<b>Total revenue</b>	<b>7,850.50</b>	<b>10,158.52</b>
Total expenditure before finance cost and depreciation	7,768.16	10,061.98
Profit before finance cost, depreciation, exceptional items and tax	82.34	96.54
Less: Finance costs	33.32	34.77
Profit before depreciation, exceptional items and tax	49.02	61.77
Less: Depreciation and amortisation expenses	6.69	9.51
Profit before exceptional items and tax	42.33	52.26
Add/(Less): Exceptional items	–	–
<b>Profit before tax</b>	<b>42.33</b>	<b>52.26</b>
Less: Tax expense – Current	9.00	9.00
Less: Tax expense – Deferred	4.91	5.00
<b>(A) Profit after tax</b>	<b>28.42</b>	<b>38.26</b>
<b>(B) Total other comprehensive income</b>	<b>–</b>	<b>–</b>
<b>(C) Total comprehensive income for the period [A + B]</b>	<b>28.42</b>	<b>38.26</b>

### Performance Highlights

The financial year 2024-25 marked a challenging but strategically steady period for Gautam Gems. The Company delivered a profitable performance despite a contraction in revenue and continued cost pressures within the diamond and gemstone industry.

### Revenue Performance

Total revenue for the year stood at ₹7,850.50 lakhs as against ₹10,158.52 lakhs in FY 2023-24, registering a decline. This drop was primarily attributable to lower sales volumes due to subdued demand and currency volatility. The Revenue from Operations itself declined from ₹10,134.08 lakhs to ₹7,834.01 lakhs.

## Cost Efficiency and Operating Margins

The Company focused on controlling its operating costs. The total expenditure before finance cost and depreciation fell from ₹10,061.98 lakhs in FY 2023–24 to ₹7,768.16 lakhs in FY 2024–25, reflecting a 22.8% reduction. This decline is in line with the revenue drop, indicating cost efficiency was maintained proportionally.

- Operating Profit declined marginally by 14.7%, from ₹96.54 lakhs to ₹82.34 lakhs.
- The Operating Margin improved to 1.05% of total revenue in FY 2024–25, up from 0.95% in FY 2023–24, reflecting better inventory and procurement management.

## Finance Costs and Depreciation

Finance costs remained consistent at ₹33.32 lakhs (₹34.77 lakhs in Preceding year), showing controlled debt levels and efficient working capital deployment. Depreciation and amortization decreased by 29.7%, from ₹9.51 lakhs to ₹6.69 lakhs.

## Profitability and Taxation

- **Profit before Tax (PBT)** stood at ₹42.33 lakhs from ₹52.26 lakhs in FY 2023–24.
- **Tax expenses** (current and deferred) totaled ₹13.91 lakhs in FY 2024–25, compared to ₹14.00 lakhs in the previous year, aligned with the decline in taxable income.
- **Net Profit (PAT)** decreased from ₹38.26 lakhs to ₹28.42 lakhs.

Despite the drop, the **Net Profit Margin** remained relatively stable at **0.36%** (0.38% in FY 2023–24), demonstrating that the core business continues to be viable and efficiently run, even in a low-revenue year.

## Earnings Per Share (EPS)

The EPS (Basic and Diluted) stood at ₹0.07, down from ₹0.09 in FY 2023–24, reflecting the drop in net earnings.

## Key Observations

- The Company managed to reduce costs almost in proportion to revenue, helping protect operating margins.
- Inventory efficiency (as seen in the positive inventory change of ₹203.61 lakhs) contributed significantly to maintaining cash flows and cost of goods sold.
- The absence of any exceptional or extraordinary items indicates a stable, recurring business model with no one-off gains or losses.

While the revenue decline reflected broader industry and macroeconomic headwinds, Gautam Gems succeeded in preserving profitability through stringent cost control and operational

agility. With a strong capital structure, no exceptional liabilities, and prudent financial management, the Company is positioned to respond effectively as market conditions improve.

## **2. DIVIDEND**

After careful consideration of the Company's financial requirements to support its future growth plans, strengthen its economic foundation, and ensure the creation of long-term value for its investors, the Board of Directors has determined that it is in the best interest of the Company to retain earnings. As such, the Board has decided not to recommend the declaration of any dividend for the financial year ended 31st March 2025, prioritizing the allocation of resources for strategic development and sustainable growth.

## **3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government.

However, during the period under review, the Company did not have any unpaid or unclaimed dividend; hence, no amount was required to be transferred to the IEPF.

## **4. TRANSFER TO RESERVES**

Pursuant to the provisions of the Companies Act, 2013 and applicable accounting standards, the Board of Directors has resolved to retain the entire profit for the financial year 2024-25 in retained earnings. No appropriation has been made to any specific reserve during the year under review.

## **5. CHANGE IN THE NATURE OF BUSINESS**

The Company has continued to operate in the same line of business during the financial year under review. There has been no change in the nature of its business activities.

## **6. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As on March 31, 2025, your Company's Board has total 5 (Five) members comprising of Two Executive Director including one Women Director and three Independent Directors. The details of Board and Committee composition, tenure of directors, and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

In terms of the requirement of the SEBI Listing Regulations, the Board has identified core skills, expertise and competencies of the Directors in the context of the Company's business

for effective functioning. The key skills, expertise and core competencies of the Board of Directors are detailed in the Corporate Governance Report, which forms part of this Annual Report.

### **Changes in Directors and Key Managerial Personnel**

During the financial year under review, the following changes took place in the composition of the Board of Directors and Key Managerial Personnel of the Company:

#### **Re-appointment of Managing Director**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on 2nd May 2024, approved the re-appointment of Mr. Gautam Pravinchandra Sheth (DIN: 06748854) as Managing Director of the Company for a period of five consecutive years. The said re-appointment was subsequently approved by the shareholders at the Extraordinary General Meeting held on 25th May 2024.

#### **Re-appointment of Whole- Time Director**

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors, in its meeting held on 2nd May 2024, resolved to continue the engagement of Mrs. Nidhi Gautam Sheth (DIN: 06748877) as a Whole-Time Director for a further period of five consecutive years. This decision received the consent of the shareholders through a resolution passed at the Extraordinary General Meeting held on 25th May 2024.

#### **Re- appointment of Independent Directors**

Mr. Pravin Manilal Parekh (DIN: 07919428) was nominated by the Nomination and Remuneration Committee for continuation as an Independent Director. The Members, in its meeting held on 25<sup>th</sup> May 2024, endorsed his appointment for a term of three consecutive years, up to 24th August 2027.

Mr. Harshit Hasmukhbhai Vadecha (DIN: 08463595) was recommended for an additional tenure as an Independent Director by the Nomination and Remuneration Committee. Acting on this recommendation, the Members in their Extraordinary General Meeting in their Meeting held on 25<sup>th</sup> May, 2024 granted their approval to appoint for a period of five consecutive years, commencing from 25th May 2024.

During the Year under Review, the Board had, based on the recommendation of the Nomination and Remuneration Committee ("NRC"), Re-appointed Mr. Pakash Nanalal Mehta (DIN: 07919440), as an Independent Director of the Company for a term of three consecutive years, which was subsequently approved by the members of the Company, in their Extra Ordinary Meeting held on 25th May 2024 Subsequently, Mr. Mehta tendered his resignation with effect from 24th September 2024, owing to other professional commitments. The Board



acknowledges and places on record its sincere appreciation for the valuable contributions made by him during his tenure

### **Re-appointment – retiring by rotation:**

In accordance with the provisions of the Companies Act, 2013 and Article of Association of the Company, Mr. Gautam Pravinchandra Sheth (DIN: 6748854) is liable to retire by rotation at the forthcoming Annual General Meeting and, being eligible, has offered himself for re-appointment.

A resolution seeking approval of the members for his re-appointment along with the disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations and the Secretarial Standards on General Meeting ('SS-2') are given in the Notice of AGM, forming part of the Annual Report.

### **Resignation of Executive Director**

During the financial year under review, Kanchanben Pravinbhai Sheth (DIN: 06748900), Executive Director of the Company resigned from the Board of Directors of the Company with effect from 24th September 2024 due to unavoidable circumstances. The Board places on record her appreciation for the valuable contributions made by Mrs. Sheth during his tenure as a Director of the Company.

### **Key Managerial Personnel**

Pursuant to the provisions of Sections 2(51) and 203 of the Companies Act, 2013, the following individuals hold the position of Key Managerial Personnel (KMP) of the Company as on 31<sup>st</sup> March, 2025:

Sr. No	Name of KMP	Position
1	Mr. Gautam Pravinchandra Sheth	Managing Director#
2	Mr. Dishant Daxeshbhai Jagad	Chief Financial Officer
3	Ms. Krina Thakkar	Company Secretary and Compliance Officer*

#Re- Appointed w.e.f 24<sup>th</sup> May, 2024

\*During the financial year under review, Mr. Anil Modhavadiya tendered his resignation from the position of Company Secretary and Compliance Officer, which became effective on 14th August 2024. The Board places on record his sincere appreciation for his services and contributions to the Company. Subsequently, Ms. Krina Thakkar was appointed as the Company Secretary and Compliance Officer with effect from 28th November 2024.

Except for the aforementioned appointments and resignations, there were no further changes in the Key Managerial Personnel during the financial year under review.

### **Declaration from Independent Directors**

In accordance with the provisions of Section 149(7) of the Companies Act, 2013, the Company has received declarations from all its Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, as required under Regulation 25(8) of the SEBI Listing Regulations, all Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or is reasonably anticipated, that could impair or impact their ability to discharge their duties independently and objectively, without any external influence.

In the opinion of the Board, the Independent Directors of the Company possess the integrity, expertise, and experience required to effectively discharge their duties and responsibilities. The Board further affirms that all Independent Directors fulfil the conditions specified under the Companies Act, 2013, applicable SEBI regulations, and are independent of the management.

## **7. NUMBER OF BOARD MEETINGS**

To ensure sound governance and effective oversight, the Board of Directors met 10 (Ten) times during the financial year under Review. All meetings were held in compliance with the statutory gap of not more than 120 days between two Meetings, as required under applicable laws. Further disclosures on meeting dates and participation by Directors are included in the Corporate Governance Report attached to this Annual Report.

## **8. DETAILS OF COMMITTEES OF THE BOARD**

The Board has constituted various Committees to facilitate focused oversight of key functions and to ensure effective governance in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Meetings of the Committees are generally scheduled on the same day as the Board meetings or as and when deemed necessary. The composition of the Committees, terms of reference, number of meetings held during the year under review, and attendance of the Members are disclosed in detail in the Corporate Governance Report, which forms an integral part of this Annual Report for the financial year 2024–25.

As on March 31, 2025, the Board has constituted the following statutory Committees:

- a) Audit Committee
- b) Nomination and Remuneration Committee

### c) Stakeholders Relationship Committee

All recommendations made by the Audit Committee during the financial year were accepted by the Board without any modifications.

## 9. INDEPENDENT DIRECTORS' MEETING

A separate meeting of the Independent Directors of the Company was held on November 28, 2024, in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The meeting was conducted without the presence of Non-Independent Directors, members of the management. During the meeting, the Independent Directors reviewed the performance of the Board as a whole, its Committees and the Non-Independent Directors. They also evaluated the performance of the Chairperson, in his absence, based on the views and feedback received from the Executive and Non-Executive Directors. Further, the Independent Directors assessed the adequacy, timeliness, and quality of the flow of information between the management and the Board, which is essential for effective decision-making and governance.

## 10. FAMILIARISATION PROGRAMME FOR DIRECTORS

In accordance with the provisions of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013, the Company has implemented a structured Familiarisation Programme for its Directors, including Independent Directors.

The programme is designed to provide comprehensive insights into the Company's operations, business model, industry landscape, regulatory environment and the roles and responsibilities of Directors. It aims to facilitate active and informed participation in Board discussions and decision-making processes.

The Familiarisation Programme includes:

- **Induction sessions** for newly appointed Directors covering key aspects of the Company such as business operations, group structure, Board constitution and governance framework.
- **Regular updates** during Board and Committee meetings on important developments including changes in the regulatory landscape, macroeconomic trends, corporate governance practices and risk management initiatives.
- **Access to key documents and policies**, including the Code of Conduct, internal governance policies, and statutory guidelines to ensure clarity on the duties and responsibilities of Directors.

The Company believes that regular familiarisation and ongoing engagement enable Directors to effectively discharge their responsibilities and contribute towards the Company's long-term success and stakeholder value creation.

Details of the Familiarisation Programme for Independent Directors are available on the Company's website under the 'Investor' section at Codes, Policies & Others.

In the opinion of the Board, the Independent Directors of the Company possess the necessary integrity, expertise, and experience relevant to the business and industry in which the Company operates.

## 11. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out the annual evaluation of its own performance, that of its Committees and individual Directors, including the Chairperson. The evaluation process was conducted through a structured framework, taking into account various aspects such as the composition and structure of the Board and its Committees, effectiveness of the Board processes, the level of engagement and participation of Directors, quality and timeliness of information shared with the Board, and overall governance practices.

Inputs were obtained from all Directors through individual feedback and one-on-one interactions. The Chairperson of the Board held separate discussions with the Independent Directors, while the Chairperson of the Nomination and Remuneration Committee engaged individually with Executive and Non-Executive, Non-Independent Directors to gather insights on Board dynamics and functioning. The Independent Directors also convened separately to evaluate the performance of the Non-Independent Directors, the Board as a whole, and the Chairperson, in his absence, based on feedback received from other Directors.

Further, the performance of individual Directors was reviewed by the Board and the Nomination and Remuneration Committee based on defined parameters, including preparedness for meetings, meaningful participation, independent judgment, and overall contribution to Board and Committee deliberations. The evaluation results and recommendations were deliberated upon at the meetings of the Independent Directors, the Nomination and Remuneration Committee, and the Board all held on November 28, 2024. The Board noted a high level of commitment and effectiveness in its functioning and that of its Committees and Directors. Constructive suggestions emerging from the process were considered for enhancing the overall effectiveness of the Board and its governance framework. A detailed note on the performance evaluation process is provided in the Corporate Governance Report forming part of this Annual Report.

## 12. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has established appropriate systems and procedures to ensure compliance with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI). The Board affirms that these systems are adequate and have been operating effectively during the financial year under review.

### 13. POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION AND DISCHARGE OF DUTIES

The Nomination and Remuneration Committee (NRC) of the Company is responsible for identifying and recommending individuals suitable for appointment to the Board, in alignment with the Company's strategic objectives and the need to enhance the overall effectiveness and diversity of the Board.

The Company maintains a well-balanced composition of the Board, comprising Executive and Non-Executive Independent Directors, thereby ensuring independence and a clear separation between oversight and management functions. As on March 31, 2025, the Board consists of five Directors, including two Executive Directors (one of whom is a Woman Director) and three Independent Directors.

The Nomination Policy, framed in accordance with Section 178(3) of the Companies Act, 2013, outlines the criteria for appointment, including qualifications, positive attributes, and independence of Directors. The policy ensures that the Board comprises individuals with integrity, experience, and the necessary skills to provide effective leadership and sound governance.

Based on the recommendations of the NRC, the Board has adopted a Remuneration Policy applicable to Directors, Key Managerial Personnel (KMPs), and Senior Management. The policy aims to:

- Provide a level and composition of remuneration that is competitive, reasonable, and sufficient to attract and retain competent individuals;
- Establish a clear relationship between remuneration and performance, aligned with appropriate benchmarks;
- Maintain a suitable balance between fixed and variable pay, reflecting short-, medium-, and long-term performance objectives in line with the Company's goals.

The Company affirms that the remuneration paid during the year to its Directors, KMPs, and other employees is in accordance with the provisions of the approved Remuneration Policy.

The detailed Nomination and Remuneration Policy can be accessed under the "Codes, Policies & Others" section in the "Investor" tab on the Company's website at: [www.gautamgems.com](http://www.gautamgems.com)

### 14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board, to the best of their knowledge and based on the information and explanations received from the management of your Company, confirm that:



- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The annual Financial Statements have been prepared on a going concern basis;
- (e) They have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and operating effectively; and
- (f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **15. DISCLOSURE UNDER SECTION 164(2) OF THE COMPANIES ACT, 2013**

The Company has obtained declarations from all its Directors in the prescribed Form DIR-8, confirming that none of them are disqualified to act as Directors under Section 164(2) of the Companies Act, 2013, read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Board hereby confirms that, based on these declarations, none of the Directors are disqualified from holding their office as per the applicable provisions of the Act.

#### **16. INTERNAL FINANCIAL CONTROLS**

The Board of Directors affirms that the Company has laid down internal financial controls in accordance with the provisions of Section 134(5)(e) of the Companies Act, 2013. These controls are adequate and commensurate with the size, nature, and complexity of the Company's operations. The Company has implemented a well-defined organizational structure and robust internal control systems to ensure the orderly and efficient conduct of its business, adherence to applicable laws and regulations, safeguarding of assets, prevention and detection of frauds and errors and the accuracy and completeness of accounting records and financial reporting.

The internal financial controls are regularly reviewed and strengthened as necessary and are supplemented by periodic internal audits. These audits provide assurance on the effectiveness of internal controls and help ensure that the financial reporting process is reliable and compliant

with applicable standards. The Board believes that these systems are operating effectively and provide a sound framework for financial management and governance.

## 17. CORPORATE GOVERNANCE

Your Company's philosophy on Corporate Governance is founded on principles of transparency, integrity, fairness, accountability and adherence to ethical business practices. The Company is committed to maintaining the highest standards of governance with the objective of delivering long-term sustainable value to shareholders and fostering trust among all stakeholders.

In pursuit of professional excellence and responsible corporate conduct, your Company ensures full compliance with applicable Corporate Governance norms and has institutionalized practices that promote effective oversight, prudent management and optimal utilization of resources. The Company believes that robust governance not only enhances stakeholder confidence but also supports the growth and sustainability of the enterprise.

A detailed report on Corporate Governance forms part of this Annual Report and includes a certificate from the Practicing Company Secretary confirming compliance with the Corporate Governance requirements as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Additionally, a certificate from the Chief Executive Officer and Chief Financial Officer, affirming the accuracy of the financial statements and cash flow statements, adequacy of internal controls, and proper disclosure to the Audit Committee, is also included.

## 18. ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, the draft Annual Return of the Company as on March 31, 2025, prepared in accordance with Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, has been made available on the Company's website. It can be accessed here or by visiting the 'Investors' section at [www.gautamgems.com](http://www.gautamgems.com)

## 19. AUDITORS

### STATUTORY AUDITORS AND AUDITORS' REPORT

#### Statutory Auditors

During the financial year under review, M/s. Rajesh J. Shah & Associates, Chartered Accountants, were appointed as the Statutory Auditors of the Company for a term of five consecutive years at the 11th Annual General Meeting held on September 30, 2024, in accordance with the provisions of the Companies Act, 2013.

However, due to pre-occupations, M/s. Rajesh J. Shah & Associates tendered their resignation, resulting in a casual vacancy in the office of Statutory Auditors with effect from November 16, 2024. In accordance with the provisions of Section 139(8) of the Companies Act, 2013, and other applicable rules, the Board of Directors, at its meeting held on December 11, 2024, appointed M/s. AKGVG & Associates, Chartered Accountants (Firm Registration No. 018598N), to fill the said vacancy for the financial year 2024–25. The appointment was subsequently approved by the Members through a postal ballot process concluded on February 13, 2025. Accordingly, M/s. AKGVG & Associates shall hold office until the conclusion of the ensuing Annual General Meeting.

As the term of the current Statutory Auditors concludes at the forthcoming Annual General Meeting, the Board of Directors, upon the recommendation of the Audit Committee, has proposed the appointment of M/s. Shah Karia & Associates, Chartered Accountants, as the Statutory Auditors of the Company for a period of five consecutive years, to hold office from the conclusion of the 12th Annual General Meeting until the conclusion of the 17th Annual General Meeting, subject to the approval of the Members at the ensuing Annual General Meeting.

The Company has received a consent letter and a certificate of eligibility from M/s. Shah Karia & Associates in accordance with Sections 139, 141, and other applicable provisions of the Companies Act, 2013, and the rules framed thereunder, confirming their eligibility for the proposed appointment.

### **Statutory Auditor's Report**

The financial statements of the Company for the year ended March 31, 2025, have been audited by M/s. AKGVG & Associates, Chartered Accountants (Firm Registration No. 018598N), who were appointed as Statutory Auditors to fill a casual vacancy during the year.

The Statutory Auditor's Report, which forms part of this Annual Report, does not contain any qualification, reservation, adverse remark or disclaimer. The Board has reviewed the Report and confirms that it is self-explanatory and does not require any further explanation or comments under Section 134(3)(f) of the Companies Act, 2013.

### **SECRETARIAL AUDITORS AND REPORTS:**

#### **Secretarial Auditor**

In accordance with the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is required to appoint a Secretarial Auditor for a term not exceeding five consecutive financial years commencing from the financial year 2025–26.

Based on the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s. Neelam Somani & Associates, Practicing Company Secretaries (Mem. No. – 10993, COP No. – 12454), as the Secretarial Auditors of the Company for a period of five consecutive years, to hold office from the conclusion of this Annual General Meeting Until the conclusion of the 12<sup>th</sup> Annual General Meeting of the Company to be held in the year 2030, to undertake the secretarial audit of the Company for the financial years 2025–26 to 2029–30.

The Company has received the requisite consent letter and eligibility certificate from Mrs. Neelam Rathi from M/s. Neelam Somani & Associates, Practicing Company Secretaries (Mem. No. – 10993, COP No. – 12454), confirming that the proposed appointment complies with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and other statutory requirements. The firm has also confirmed that it is a peer-reviewed firm and is not disqualified from being appointed as Secretarial Auditors in terms of the applicable laws.

The proposal for appointment of Secretarial Auditors forms part of the Notice convening the ensuing Annual General Meeting and is placed before the Members for their approval.

### Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Neelam Somani & Associates, Practicing Company Secretaries, Company Secretaries (Membership Number: 10993), as the Secretarial Auditors of the Company for the financial year ended March 31, 2025.

The Secretarial Audit Report issued by the Secretarial Auditors is annexed as “*Annexure A*” and forms an integral part of this Annual Report.

The Report contains following observations:

1. During the audit period M/s. Rajesh J Shah & Associates, Chartered Accountant, Ahmedabad, (FRN: 108407W) have resigned as the Statutory Auditor of the Company.
2. During the audit period, action has been taken against the company under the Standard Operating Procedure issued by SEBI.

### Board’s Comments on the Auditor’s Observations:

1. M/s Rajesh J Shah & Associates tendered their resignation due to pre-occupation. The Company, in compliance with applicable regulations, appointed M/s AKGVG & Associates, Chartered Accountants (ICAI Firm Registration No. 018598N) within the stipulated time. The appointment was subsequently approved by the members through a Postal Ballot.

2. The SOP fine was imposed under SEBI regulations due to delay in submission of Annual Secretarial Compliance Report and Mistake occurred while selecting the name of Director from Drop down. The Company has taken necessary corrective steps to ensure timely compliance going forward.

The Report does not contain any other qualification, reservation, adverse remark, or disclaimer.

## **COST AUDIT**

During the year under review, the provisions relating to the maintenance of cost records and appointment of Cost Auditors under Section 148 of the Companies Act, 2013 were not applicable to the Company, as the Company's business activities are not covered under the specified sectors requiring such compliance.

## **INTERNAL AUDITOR**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, appointed Mr. Dishant Daxeshbhai Jagad as the Internal Auditor of the Company for the financial years 2024–25 and 2025–26.

Mr. Jagad possesses over five years of expertise in accounting, taxation and compliance with applicable laws, which enables him to effectively carry out the internal audit functions in accordance with the Company's governance and control framework.

The scope, periodicity, methodology and reporting structure of the internal audit are determined by the Audit Committee in consultation with the Internal Auditor to ensure robust internal controls and risk management.

## **REPORTING OF FRAUDS BY AUDITORS**

In terms of Section 143(12) of the Companies Act, 2013, during the financial year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported any instances of fraud committed by the Company's officers or employees to the Audit Committee. Accordingly, no disclosure is required under Section 134(3) (ca) of the Companies Act, 2013.

## **20. RELATED PARTY TRANSACTIONS**

During the financial year 2024-25, all related party transactions entered into by the Company were in the ordinary course of business and on an arm's length basis, in accordance with the provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

These transactions were reviewed and approved by the Audit Committee, in line with the statutory requirements and the Company's governance framework. The Audit Committee



ensure that all related party transactions are conducted in a fair and transparent manner, safeguarding the interests of the Company and its stakeholders.

There were no materially significant related party transactions with Promoters, Directors, Key Managerial Personnel or their relatives, or any other related parties, that may have a potential conflict with the interest of the Company at large. However, in compliance with Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of related party transactions are disclosed in **Form AOC-2**, annexed as **“Annexure B”** to this Report.

Further, as required under Regulation 23(9) of the SEBI Listing Regulations, the Company has submitted half-yearly disclosures of related party transactions to the stock exchanges. The Company’s Policy on Related Party Transactions is available on its website under the Investor Relations *section* – Codes, Policies and others.

## 21. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 (“the Act”) read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

## 22. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company did not have any subsidiaries, joint ventures or associate companies during the financial year under review. Accordingly, the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 regarding the preparation of consolidated financial statements and statement in Form AOC-1 do not apply.

However, during the financial year under review, the Board approved an Overseas Direct Investment (ODI) in AG Corporation Ltd, a company registered in the United Kingdom, with the intention of making it a Wholly Owned Subsidiary (WOS) of the Company. The remittance of the subscription amount (GBP 1,00,000) towards share capital is currently pending. Accordingly, AG Corporation Ltd is not yet recognized as a WOS under applicable Indian regulatory and accounting standards. The Company shall ensure compliance with the Companies Act, 2013, SEBI Listing Regulations, FEMA guidelines, and other applicable laws upon completion of the capital infusion.

## 23. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

In accordance with Section 135 of the Companies Act, 2013 and Rule 9 of the Companies (Accounts) Rules, 2014, the provisions relating to Corporate Social Responsibility (CSR) are not applicable to the Company for the financial year 2024-25. Consequently, there is no requirement to disclose any CSR activities for the year under review. The Company shall

comply with the applicable CSR provisions and disclose relevant information as and when the same become applicable.

## **24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

In compliance with the provisions of Section 186 of the Companies Act, 2013, the Company hereby confirms that during the financial year 2024-25, it has not granted any loans or provided any guarantees. Further, the Company's investments made during the year are disclosed in Notes forming part of the financial statements.

## **25. PARTICULARS REGARDING EMPLOYEES**

Pursuant to the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement containing the required disclosures, including the ratio of the remuneration of each Director to the median remuneration of the employees and other applicable details, is annexed as "*Annexure C*" to this Report.

Further, during the financial year 2024-25, no employee of the Company was in receipt of remuneration exceeding the limits specified under Rule 5(2) of the said Rules. Accordingly, the disclosure of particulars under Rule 5(2) is not applicable.

## **26. SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

Pursuant to the disclosures required under applicable laws, it is confirmed that during the year under review, no significant and material orders have been passed by any regulatory authority, tribunal or court which could potentially affect the Company's going concern status or future business activities.

## **27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

In accordance with the requirements of Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, the relevant details pertaining to conservation of energy, technology absorption, foreign exchange earnings, and outgo are annexed to this report as "*Annexure D*".

## **28. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder.

The Policy is aimed at fostering a safe, respectful and inclusive work environment that is free from any form of sexual harassment. It applies to all employees, contract workers and individuals engaged with the Company. The Policy outlines a structured framework for reporting, investigating and redressing complaints.

An Internal Complaints Committee (ICC) has been duly constituted to investigate and address complaints of sexual harassment, as per statutory requirements. The Company maintains a zero-tolerance approach toward sexual harassment at the workplace. The ICC also undertakes regular awareness and sensitization initiatives, including training programs, to educate employees about their rights and obligations under the POSH framework.

During the financial year 2024–25, no complaints of sexual harassment were reported or received.

## **29. VIGIL MECHANISM**

The Company has established a robust Vigil Mechanism, also known as the Whistle Blower Policy, in compliance with Section 177 of the Companies Act, 2013, Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws. This mechanism provides a secure and confidential channel for Directors, employees, vendors and other stakeholders to report genuine concerns regarding unethical conduct, fraud, or any violation of the Company's Code of Conduct, including leakage of unpublished price-sensitive information.

The policy strictly prohibits any form of retaliation or victimization against individuals who report concerns in good faith and ensures their protection. Whistleblowers have the right to direct access to the Chairperson of the Audit Committee when necessary.

During the financial year 2024–25, the Company did not receive any complaints under the Vigil Mechanism. The Audit Committee periodically reviews the effectiveness and functioning of this mechanism.

The Vigil Mechanism / Whistle Blower Policy is available on the Company's i.e. [www.gautamgems.com](http://www.gautamgems.com).

### 30. RISK EVALUATION AND MANAGEMENT

The Company recognizes that risk is an inherent part of any business and is committed to managing it proactively and effectively. A structured and systematic risk management framework is in place to identify, assess, monitor and mitigate risks that could potentially impact the Company's objectives.

Risks arising from both internal and external environments are periodically assessed. Appropriate risk treatment plans are developed and integrated into the Company's strategic, business and operational planning processes. The objective is to ensure that the likelihood and impact of identified risks are maintained within acceptable levels as defined in consultation with the Board of Directors from time to time.

The Company's Risk Management Policy, formulated in alignment with its business strategy, lays down comprehensive procedures for risk identification, evaluation, review, and reporting. This policy enables the organization to maintain a balanced approach toward risk-taking and risk mitigation.

Key business risks and their potential impact on the Company's performance are detailed in the Management Discussion and Analysis Report, forming part of this Annual Report.

As the Company does not fall within the top 1000 listed entities based on market capitalization at the end of the previous financial year, the requirement for constitution of a Risk Management Committee under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

### 31. MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report forms an integral part of this Board's Report. It provides detailed insights into the Company's operational performance, industry structure, business outlook, opportunities and threats, internal control systems, and future strategies.

The Management Discussion and Analysis Report for the financial year ended March 31, 2025, is annexed to this Report as "*Annexure E*".

### 32. PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE

During the year under review, the Company has neither made any application nor is any proceeding pending against it under the Insolvency and Bankruptcy Code, 2016.

**33. DISCLOSURE ON VALUATION UNDER ONE-TIME SETTLEMENT:**

The Company has not entered into any one-time settlement with banks or financial institutions during the year under review. Hence, the disclosure regarding the difference in valuation at the time of such settlement and at the time of availing the loan is not applicable.

**34. CHANGE IN CAPITAL STRUCTURE OF THE COMPANY**

During the financial year 2024–25, the Members of the Company, at the Annual General Meeting held on September 30, 2024, approved an increase in the Authorised Share Capital of the Company from ₹50,35,00,000 (Rupees Fifty Crore Thirty-Five Lakhs only), divided into 5,03,50,000 (Five Crore Three Lakhs Fifty Thousand) Equity Shares of ₹10/- each, to ₹75,35,00,000 (Rupees Seventy-Five Crore Thirty-Five Lakhs only), divided into 7,53,50,000 (Seven Crore Fifty-Three Lakhs Fifty Thousand) Equity Shares of ₹10/- each.

As on the date of this Report, the procedural formalities for giving effect to the said increase are in progress. There has been no change in the issued, subscribed and paid-up share capital of the Company during the year under review.

**35. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)**

In accordance with Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the top 1,000 listed companies based on market capitalization at the end of the preceding financial year are required to include a Business Responsibility and Sustainability Report (BRSR) as part of their Annual Report.

As the Company does not fall within the ambit of the top 1,000 listed entities as per the said regulation, the requirement to furnish a BRSR is not applicable for the financial year under review.

**36. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

Subsequent to the end of the financial year, the Board of Directors, at its meeting held on April 5, 2025, approved a proposal to raise funds through a rights issue of equity shares, subject to necessary statutory and regulatory approvals.

However, as on the date of this report, the material terms and conditions of the rights issue, including the draft Letter of Offer, issue price, entitlement ratio, record date, and other related matters, are under consideration and have not yet been finalized or approved.

Except for the above, there have been no other material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.



### 37. POLICIES

The Company remains committed to upholding strong corporate governance and regulatory compliance. During the financial year under review, the Board of Directors reviewed and updated all applicable policies to align with recent amendments under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These updates were made to ensure that the Company's internal frameworks remain current, effective and reflective of evolving statutory requirements and best industry practices.

The updated policies can be accessed under the "Codes, Policies & Others" section in the "Investor" tab on the Company's website at: [www.gautamgems.com](http://www.gautamgems.com)

### 38. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Subsequent to the end of the financial year, the Board of Directors, at its meeting held on April 5, 2025, approved a proposal to raise funds through a rights issue of equity shares, subject to necessary statutory and regulatory approvals.

However, as on the date of this report, the material terms and conditions of the rights issue, including the draft Letter of Offer, issue price, entitlement ratio, record date, and other related matters, are under consideration and have not yet been finalized or approved.

Except for the above, there have been no other material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

### 39. CODE OF CONDUCT

In compliance with corporate governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of your Company ("Code of Conduct"), who have affirmed the compliance thereto. The Code of Conduct is available on the website of your Company.

### 40. ACKNOWLEDGEMENTS

The Board of Directors places on record its sincere appreciation for the continued support, confidence, and trust extended by the shareholders, customers, suppliers, business associates, financial institutions, and banks.

The Board also acknowledges the consistent guidance and cooperation received from regulatory authorities, including the Ministry of Corporate Affairs, SEBI, stock exchanges and other statutory bodies.

We place on record our deep appreciation for the dedication, commitment, and efforts of the Company's employees at all levels, who have contributed to the Company's sustained performance during the year.

**Place: Surat**  
**Date: 04/09/2025**

**For and on behalf of the Board of Directors**  
**Gautam Gems Limited**

**Sd/-**  
**Gautam P. Sheth**  
**Managing Director**

**Sd/-**  
**Nidhi G. Sheth**  
**Director**



**ANNEXURE A- TO THE DIRECTOR'S REPORT**  
**SECRETARIAL AUDIT REPORT**



**CS**  
**Neelam Somani & Associates**  
**COMPANY SECRETARIES**

**Address:** C-1001, Sarovar landmark, Gordhanvadi Cross Road, Kankaria, Ahmedabad-380022,  
Gujarat.

**Contact:** +91-8638402502      **Email:** neelamsomani90@gmail.com

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2025**

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

To,  
The Members,  
**GAUTAM GEMS LIMITED**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **M/S GAUTAM GEMS LIMITED (hereinafter called the company)** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **M/S GAUTAM GEMS LIMITED** 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<sup>ST</sup> March, 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:

**PARA ONE**

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/S GAUTAM GEMS LIMITED** for the financial year ended on **31<sup>ST</sup> March 2025** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

## CS Neelam Somani & Associates

### COMPANY SECRETARIES

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**Email:** neelamsomani90@gmail.com

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) \*The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
- (d) \*The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015;
- (f) 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;
- (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018-

**\*Not Applicable to the Company during the Audit Period.**

I have also examined the compliance with the provisions of the following laws applicable specifically to the Company, relying on compliance certificates and declarations issued by the head of the respective departments/management, in addition to my own checks. Based on this examination, I found that the Company has complied with the provisions of the mentioned Acts, except for the observations noted below:

- (1) The Employee's Provident fund & Miscellaneous Provisions Act, 1952
- (2) The Equal Remuneration Act, 1976
- (3) The Maternity Benefit Act, 1961
- (4) The Minimum wages Act, 1948



## CS Neelam Somani & Associates

### COMPANY SECRETARIES

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Gujarat.

**Contact:** +91-8638402502 **Email:** [neelamsomani90@gmail.com](mailto:neelamsomani90@gmail.com)

- (5) The Water (Prevention and Control of Pollution) Act, 1974
- (6) The Air (Prevention and Control of Pollution) Act, 1981
- (7) The Environment (Protection) Act, 1986
- (8) The Employee's State Insurance Act, 1948
- (9) Legal Metrology Act, 2009
- (10) The Factories Act, 1948
- (11) Payment of Gratuity Act, 1972
- (12) The Payment of Wages Act, 1956
- (13) The Contract Labour (Regulation and Abolition) Act, 1970
- (14) The Industrial Employment (Standing Orders) Act, 1946
- (15) The Industrial Dispute Act, 1947
- (16) The Payment of Bonus Act, 1965
- (17) The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **Observations/Disclaimer:**

1. During the audit period M/s. Rajesh J Shah & Associates, Chartered Accountant, Ahmedabad, (FRN: 108407W) have resigned as the Statutory Auditor of the Company.
2. During the audit period, action has been taken against the company under the Standard Operating Procedure issued by SEBI.

**CS**  
**Neelam Somani & Associates**  
 COMPANY SECRETARIES

Address: C-1001, Sarovar landmark, Gordhanvadi Cross Road, Kankaria, Ahmedabad-380022,  
 Gujarat.

Contact: +91-8638402502

Email: neelamsomani90@gmail.com

**Para Second:**

We have examined compliance with the applicable Clauses/Regulations of the following:

- (i) Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
  - (ii) The Listing Agreements entered into by the Company with BSE Limited.
- During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors, and Independent Directors, including Women 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 Board/Committee Meetings, and agenda and detailed notes on the agenda were sent at least seven days in advance, except where consent of directors was received for circulation of the agenda and notes on the agenda at a shorter notice. 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.
- All decisions of the Board and Committees thereof were carried out with the requisite majority.

I further report that, based on the review of the compliance mechanism established by the Company and on the basis of Management Representation letter issued by the management, I am of the opinion that the Management has adequate systems and processes in place in the Company, which are commensurate with the size and operations of the Company, to monitor and ensure compliance with all applicable laws, rules, regulations, and guidelines.

I further report that during the audit period, no event/action having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc., has taken place.

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

NEELAM RATHI  
 Digitally signed by  
 NEELAM RATHI  
 Date: 2025.09.05  
 12:12:51 +05'30'

**NEELAM RATHI**

**Company Secretaries**

**Peer Review Cert No.: 5612/2024**

**FCS: 10993 | COP No.: 12454**

**ICSI UDIN: F010993G001170668**

**4<sup>TH</sup> September, 2025 | Ahmedabad**

# CS Neelam Somani & Associates

## COMPANY SECRETARIES

Address: C-1001, Sarovar landmark, Gordhanvadi Cross Road, Kankaria, Ahmedabad-380022,  
Gujarat.

Contact: +91-8638402502      Email: neelamsomani90@gmail.com

### Annexure - A

**To,  
The Members,  
GAUTAM GEMS LIMITED**

#### **Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations, and to ensure that the systems are adequate and operate effectively.

#### **Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards, and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
6. Wherever required, we have obtained the management's representation about the compliance of laws, rules, and regulations, and the happening of events, etc.

#### **Disclaimer**

7. 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.
8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

NEELAM Digitally signed by  
NEELAM 88784  
RATHI Date: 2025.08.05  
12:13:06 +05'30'

**NEELAM RATHI**

**Company Secretaries**

**Peer Review Cert No.: 5612/2024**

**FCS: 10993 | COP No.: 12454**

**ICSI UDIN: F010993G001170668**

**4<sup>TH</sup> September, 2025 | Ahmedabad**

**ANNEXURE B TO THE DIRECTOR'S REPORT****FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Disclosure of the Related Party Transactions of Gautam Gems Limited for the financial year ended on March 31, 2025**

**1. Details of contracts or arrangements or transactions not at an arm's length basis**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transaction	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the Ordinary Resolution was passed in general meeting as required under the first proviso to section 188
NIL								

**2. Details of material contracts or arrangements or transactions at arm's length basis for the financial year ended on March 31, 2024**

(₹ In Lakhs)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions, including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
1	Gautam P. Sheth	Unsecured Loan Taken	1 Year	333.35	2 <sup>nd</sup> May, 2024	NA
2	Nidhi G. Sheth	Unsecured Loan Taken	1 Year	3.13	2 <sup>nd</sup> May, 2024	NA

3	Gautam P. Sheth	Remuneration	1 Year	3	2 <sup>nd</sup> May, 2024	NA
4	Nidhi G. Sheth	Remuneration	1 Year	2	2 <sup>nd</sup> May, 2024	NA

**Note:**

All Related Party Transactions (RPTs) were carried out with the omnibus/requisite approval of the Audit Committee. The Audit Committee granted approval for all RPTs at the beginning of the financial year.

**Place: Surat**  
**Date: 04/09/2025**

**For and on behalf of the Board of Directors**  
**Gautam Gems Limited**

**Sd/-**  
**Gautam P. Sheth**  
**Managing Director**

**Sd/-**  
**Nidhi G. Sheth**  
**Director**



## ANNEXURE C TO DIRECTOR'S REPORT

**Disclosure under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 As Amended)**

### I Ratio of remuneration of each Director to the median remuneration of employees for the financial year 2024-25

(₹ in Lakhs)

Sr. No.	Name of Director*	Designation	Ratio to Median Remuneration
1	Mr. Gautam P. Sheth	Managing Director	1.51
2	Mrs. Nidhi G. Sheth	Whole Time Director	1.00

\*The Company does not extend remuneration to any director other than those listed above.

### II. Percentage Increase in Remuneration of Directors, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year

(₹ in Lakhs)

Sr. No.	Name of Director/KMP	Designation	% Increase in Remuneration
1	Mr. Gautam P. Sheth	Managing Director	During the financial year under review, there was no change in the remuneration of Directors and Key Managerial Personnel; therefore, the disclosure regarding the percentage increase in remuneration is not applicable.
2	Mrs. Nidhi G. Sheth	Whole Time Director	
3	Mr. Dishant Daxeshbhai Jagad	Chief Financial Officer	
4	Mr. Anil Modhavadiya*	Company Secretary	
5	Ms. Krina Thakkar*	Company Secretary	

\* Mr. Anil Modhavadiya- resigned w.e.f. 14th August 2024 and Ms. Krina Thakkar was appointed w.e.f. November 28, 2024 as Company Secretary and Compliance Officer of the Company.

**III.** Percentage increase in median remuneration: 14.42%

**IV.** Number of permanent employees on the rolls as on March 31, 2025: 17 (Seventeen)

**V.** Average percentage increase in salaries of employees (excluding managerial personnel): 25.94%. There were no exceptional circumstances for the increase in managerial remuneration.

**VI. Affirmation**

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to Key Managerial Personnel and Senior Management is in accordance with the Remuneration Policy of the Company.

**Place: Surat**  
**Date: 04/09/2025**

**For and on behalf of the Board of Directors**  
**Gautam Gems Limited**

**Sd/-**  
**Gautam P. Sheth**  
**Managing Director**

**Sd/-**  
**Nidhi G. Sheth**  
**Director**

## ANNEXURE - D TO DIRECTOR'S REPORT

### DISCLOSURE OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 For the Financial Year Ended March 31, 2025

#### I. Conservation of Energy

##### The steps taken or impact on conservation of energy

The Company is committed to reducing energy consumption through various operational practices, including:

- Regular maintenance of electrical and mechanical equipment to ensure optimal performance and reduce energy wastage.
- Encouraging employees to adopt energy-efficient practices, such as switching off machinery and lights during non-productive hours.
- Utilization of natural lighting and ventilation wherever possible to reduce electricity consumption.
- Continuous review of operations to identify opportunities for further energy savings.

##### Alternate Sources of Energy:

The Company is currently not utilizing alternate energy sources, such as solar power, but remains open to evaluating such options in the future as part of its commitment to sustainability.

##### Capital Investment on Energy Conservation Equipment:

No significant capital investment has been made in energy conservation equipment during the financial year. Energy efficiency is being improved through regular operational practices.

#### II. Technology Absorption

##### Efforts Made Towards Technology Absorption:

- Focus on continuous improvements in product quality and process efficiency.
- Skill development initiatives for employees to enhance technical capabilities.
- Optimization of processes and equipment to improve overall productivity.

##### Benefits Derived:

- Enhanced product consistency and reduction in rework.

- Improved production throughput.
- Upgraded technical knowledge across various levels of the organization.

**Imported Technology (last three years):**

- **Technology Imported:** None
- **Year of Import:** Not applicable
- **Technology Absorption Status:** Not applicable
- **Reasons for Non-Absorption:** Not applicable

**Expenditure on Research and Development:**

- No separate R&D expenditure during the financial year. The focus remains on continuous in-house improvements.

**III. Foreign Exchange Earnings and Outgo**

Particulars	FY 2024-25	FY 2023-24
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

**Place: Surat**  
**Date: 04/09/2025**

**For and on behalf of the Board of Directors**  
**Gautam Gems Limited**

**Sd/-**  
**Gautam P. Sheth**  
**Managing Director**

**Sd/-**  
**Nidhi G. Sheth**  
**Director**

**ANNEXURE - E TO DIRECTOR'S REPORT****OVERVIEW**

This Management Discussion and Analysis (MD&A) Report presents the Management's perspective on the external environment and the gems and jewellery industry, along with the Company's strategic direction, operational and financial performance, key developments in human resources and industrial relations, risks and opportunities, and the adequacy of internal control systems during the financial year 2024-25.

The report is intended to provide a comprehensive understanding of the factors influencing the Company's business and its responses to the evolving market and regulatory landscape. It should be read in conjunction with the Company's audited financial statements, accompanying notes and other disclosures presented in the Integrated Annual Report for FY 2024-25.



The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), in compliance with the applicable provisions of the Companies Act, 2013, as amended, and the rules and regulations prescribed by the Securities and Exchange Board of India (SEBI).

## External Environment

### Global Economic Landscape

The global economic environment in FY 2024–25 continued to face considerable uncertainty, shaped by the interplay of macroeconomic normalization, geopolitical developments and evolving trade dynamics. While several advanced economies began transitioning from tight monetary policies towards a more accommodative stance, persistent inflationary pressures and uneven recovery across regions continued to influence consumer sentiment and international trade flows.



Global GDP growth during the year was moderate, with estimates hovering around 2.8%. Advanced economies, particularly the United States and Eurozone countries, experienced slowed growth due to elevated interest rates for most of the year, labour market rigidities, and inflation in the services sector. The United Kingdom remained on a modest recovery trajectory, aided by improving consumer confidence and fiscal support. In contrast, emerging markets showed relatively stronger momentum, though this was tempered by currency volatility and external demand softness.

In China, a key market and trading partner in the global gems and jewellery value chain, growth stabilized but remained below pre-pandemic trends. Challenges in its property sector, weak domestic consumption, and global trade tensions continued to weigh on its recovery. These factors have had an indirect impact on the jewellery sector, influencing global demand for raw materials such as diamonds, gold, and coloured gemstones.

Amidst these macroeconomic trends, global trade volumes remained constrained, primarily due to increased protectionist policies, slower inventory cycles and supply chain realignments. For the luxury goods segment, which includes gems and jewellery, the recovery was regionally mixed—strong in some high-income markets, and sluggish in others, particularly where inflation eroded discretionary spending power.

Commodity price movements also played a significant role. Gold prices remained elevated for most of the year, driven by central bank buying, investor demand for safe-haven assets and geopolitical instability. While this supported the value of gold jewellery, it also increased input costs for manufacturers. Similarly, diamond prices saw corrections due to oversupply in certain grades, subdued retail demand, and rising consumer preference for lab-grown alternatives in specific markets.

## INDIAN ECONOMY

India is one of the fastest-growing major economy. It demonstrated a growth rate of 6.5% in FY2024-25. Despite global headwinds, India's growth is expected to remain rangebound, 6% - 6.5%, in the next couple of years. The economy is expected to be driven by strong domestic consumption, government capital expenditure and robust expansion in the services and manufacturing sectors.



Inflation is projected to moderate and be rangebound, 4.0–4.5% in the near term, supported by favorable food price trends. Core inflation across goods and services has remained stable, while fuel prices have declined. The moderation in inflation has enabled the Reserve Bank of India to adopt a more accommodative stance, with interest rate cuts anticipated to stimulate consumer spending and credit growth. Foreign Portfolio Investment volatility is expected to subside, while softening crude oil prices will likely support exchange rate stability.

On the sectoral front, the services sector has demonstrated resilience, with financial services, real estate, professional services, public administration, and defense driving growth. Exports in the services sector have also recorded strong performance. Construction activities and utility services have supported industrial growth, while high value-added manufacturing exports—particularly in electronics, semiconductors and pharmaceuticals—have shown robust momentum. Agricultural production has remained strong, underpinning rural consumption, and contributing to steady economic activity in rural markets.

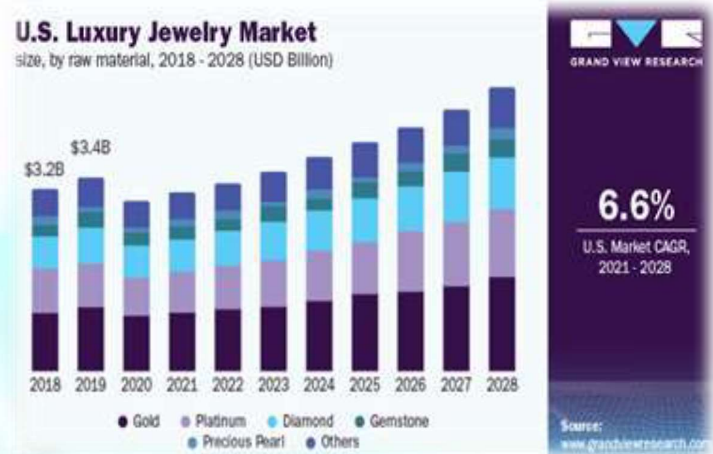
The Government of India ('GOI') remains focused on fiscal consolidation, employment generation, and boosting capital investment. The share of capital expenditure in central government spending has continued to rise, playing a critical role in industrial and infrastructure development. Increased capital outlays on infrastructure and asset creation are expected to generate growth multipliers. The PLI scheme has successfully attracted investments and stimulated production across various industries. The Government is exploring further sectoral expansion to enhance domestic manufacturing and develop labor-intensive industries.

Despite India's strong economic momentum, certain downside risks persist. Towards the end of 2024, economic activity moderated due to weaker private and foreign investment flows, impacting industrial output. The rupee's depreciation, coupled with uncertainties surrounding cross border conflicts, global trade policies and supply chain disruptions, could pose a few challenges.

Overall, India's economic outlook remains strong, driven by robust domestic demand, policy support, and sectoral resilience. Improving trade relations with the developed economies will provide the requisite impetus to the economy.

## GLOBAL GEMS AND JEWELLERY MARKET OVERVIEW

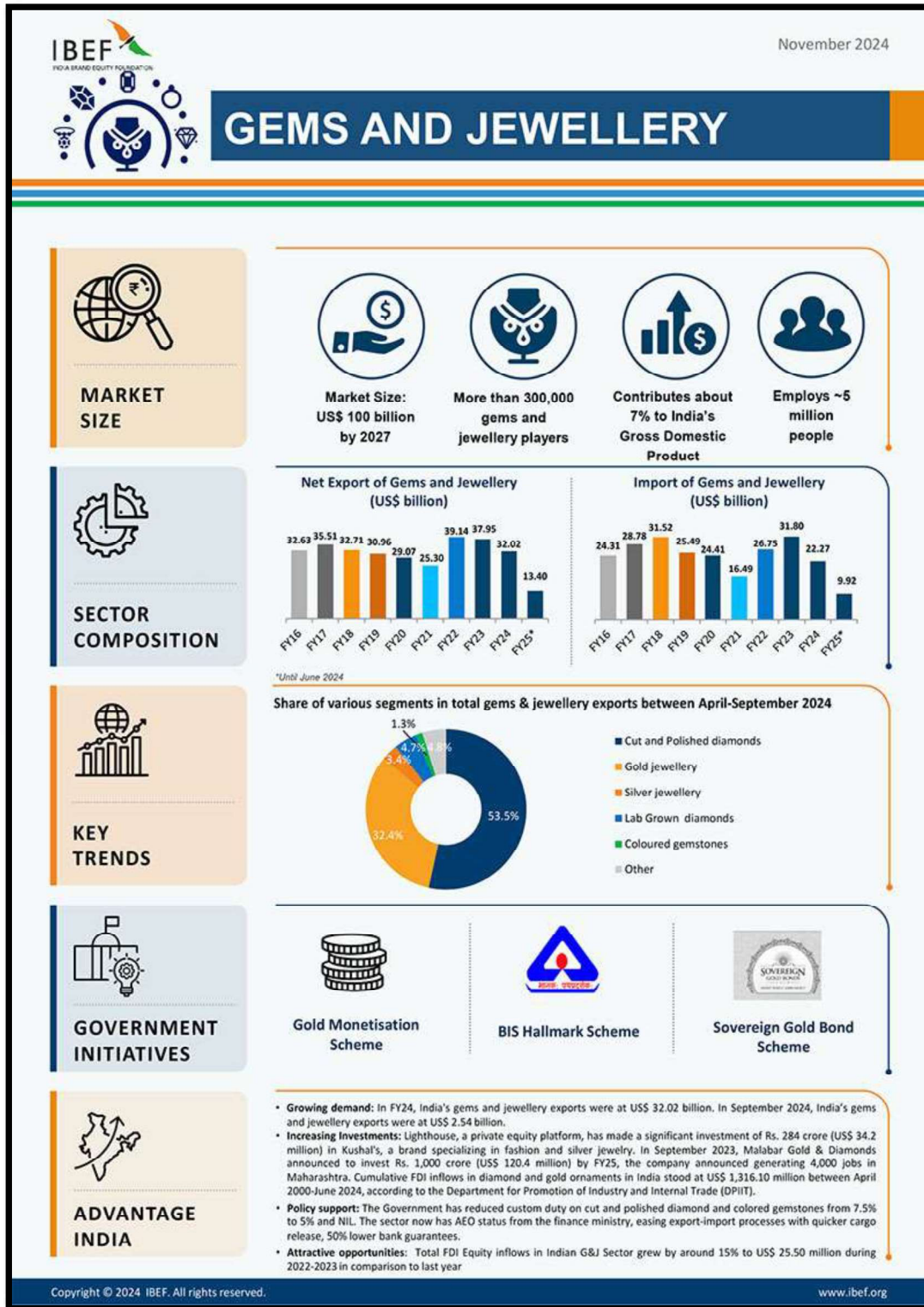
The global gems and jewellery market continue to demonstrate resilience, withstanding challenges posed by economic slowdowns, inflationary pressures, and geopolitical tensions. In 2023, the market was valued at approximately USD 103.06 billion and is projected to expand steadily over the coming years. This growth is largely attributed to rising disposable incomes in emerging markets, a renewed interest in investment-grade jewellery, and increasing globalization of branded jewellery trends.



Traditional segments such as gold and diamond jewellery maintain their dominance, particularly in Asia-Pacific, the Middle East, and North America. The United States remains the single largest market for gems and jewellery, while China and India are close followers in both consumption and production. Gold continues to be viewed as a store of value and a cultural asset, especially during economic uncertainty. Simultaneously, lab-grown diamonds are gaining rapid acceptance, particularly in Western markets, due to their affordability and ethical appeal, which resonate with environmentally conscious millennials and Gen Z consumers.

Technology is playing an increasingly influential role in reshaping the global jewellery retail environment. The proliferation of e-commerce platforms, virtual try-on tools and customization through AI has significantly enhanced consumer engagement and convenience. Additionally, traceability and transparency are becoming critical factors in consumer decision-making, with blockchain and third-party certifications helping brands build trust in a crowded marketplace. Going forward, while macroeconomic and trade-related risks remain, the industry's long-term outlook is positive. Innovation in design, ethical sourcing, digital transformation, and premiumisation are expected to drive demand across diverse global markets. Jewellery is not only retaining its place as a fashion and cultural symbol but also evolving as a lifestyle product with growing aspirational value.

## INDIAN GEMS AND JEWELLERY MARKET OVERVIEW





India's gems and jewellery industry holds a strategically vital position in the global value chain, acting as a major hub for both manufacturing and exports while also serving one of the world's largest consumer bases. In 2023, the market was valued at USD 43.71 billion and is forecasted to grow to USD 133.96 billion by 2030, reflecting a strong CAGR of 17.35%. The sector contributes nearly 7% to India's GDP and provides employment to over 5 million individuals, making it one of the largest employment generators in the country.

Culturally, jewellery is deeply ingrained in Indian society, with demand driven primarily by weddings, festivals and traditional ceremonies. India ranks as the second-largest consumer of gold jewellery globally, with annual gold demand expected to reach 800–900 tonnes in 2024. The preference is gradually shifting from heavy, traditional pieces to more lightweight, daily-wear jewellery that aligns with modern lifestyles. Additionally, bridal jewellery remains a key driver, accounting for nearly 50–55% of gold jewellery sales.

### *Key Hubs for the Gems and Jewelry Industry*



- Surat
- Mumbai
- Jaipur
- Thrichor
- Nellore
- Delhi
- Hyderabad
- Kolkata

On the export front, India maintains its global leadership in gemstone and diamond processing. In FY 2023–24, India exported USD 32.85 billion worth of gems and jewellery, with the United States accounting for 30.28% (USD 9.95 billion) of this volume. India also commands a 33%



share in global diamond exports, with Surat processing over 90% of the world's rough diamonds. Key industry hubs include Mumbai (trading and manufacturing), Jaipur (colored gemstones), Thrissur (traditional gold), and Kolkata (handcrafted designs), each contributing uniquely to the sector.

The Indian market is undergoing rapid formalisation and digital transformation. Major retailers are investing in virtual try-on tools, AI-driven customization and omni-channel retailing to enhance customer experience and reach. Consumers are showing a growing preference for certified, branded, and personalised jewellery, while demand for lab-grown diamonds and platinum jewellery is also rising steadily.

Policy support has further catalyzed the sector's growth. The government has introduced mandatory hallmarking, zero customs duty on lab-grown diamond seeds, and export infrastructure development through Common Facility Centers (CFCs). These efforts, along with favourable trade relations and FTAs, are expected to propel India's gems and jewellery exports beyond USD 100 billion by 2027, solidifying its role as a global industry leader.

### GOVERNMENT INITIATIVES

- In the Union Budget 2024, the government proposed reduction in the basic customs duty on gold and silver to 6% and on platinum to 6.4%.
- The sector now has AEO status from the finance ministry, easing export-import processes with quicker cargo release, 50% lower bank guarantees.
- The Indian government accepted the recommendation of GJEPC to promote indigenous manufacturing in the emerging Lab-grown diamond sector by providing research grants to the Indian Institute of Technology (IIT) for five years.
- India has signed an FTA with the UAE which will further boost exports and is expected to reach the target of US\$ 52 billion.
- The Government has reduced custom duty on cut and polished diamond and colored gemstones from 7.5% to 5% and NIL.
- Revised SEZ Act is also expected to boost gems and jewellery exports.
- In September 2021, Ms. Anupriya Patel, Minister of State for Commerce, and Industry said that reforms such as the revamped gold monetisation scheme, reduction in import duty of gold,



hallmarking and others would help the industry grow. The market export target is US\$ 43.75 billion for 2021.

- The government has reduced import duty for Gold & Silver (from 12.5% to 7.5%) and Platinum & Palladium (from 12.5% to 10%) to bring down the prices of precious metals in the local market.
- Indian Government made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation i.e., till January 2021.
- In December 2020, All India Gem and Jewellery Domestic Council (GJC) welcomed the decision to make hallmarking compulsory from June 2021 in a phased manner; urged the government to examine the key concerns of the industry for smooth implementation of the initiative.
- Hallmarking of gold jewellery is set to begin on June 15, 2021. In view of the COVID-19 pandemic, the government accepted the request of stakeholders to provide jewellers some more time to prepare for implementation and resolve issues. Earlier, the date of implementation was June 01, 2021.
- In December 2020, the Finance Ministry notified that the amendment under the Prevention of Money Laundering Act (PMLA), notifying dealers in precious metals and stones, will maintain records of cash transactions worth Rs. 10 lakh (US\$ 13.61 thousand) or more cumulatively with a single customer.

[Source: <https://www.ibef.org/industry/gems-jewellery-india>]

## OUTLOOK

India is projected to grow at 6.2% in FY 2025-26. India is on track to become the world's third-largest economy by 2030, driven by infrastructure investment, private capital expenditure and financial services expansion. Ongoing reforms support long-term growth. India's positive outlook is underpinned by its demographic dividend, increased capital investment, proactive policies, and strong consumer demand. Improved rural consumption, driven by moderating inflation, further strengthens this trajectory. Government focuses on capital expenditure, fiscal discipline and rising business/consumer confidence support investment and consumption.

Initiatives like Make in India 2.0, Ease of Doing Business reforms, and the PLI scheme aim to strengthen infrastructure, manufacturing and exports, positioning India as a global manufacturing hub.

Anticipating inflation aligning with targets by 2025, a more accommodative monetary policy is expected. Infrastructure development and public policies will drive capital formation, while rural demand will be supported by initiatives like PMGKAY.

(Source: PIB, MoSPI, Economic Survey, IMF)

## UNION BUDGET 2025-26

The Union Budget 2025-26 presents a balanced, growth-oriented financial framework that addresses both immediate and long-term economic priorities. By raising the income tax exemption limit to 12 lakhs annually, the budget significantly increases disposable income for middle-class households, encouraging greater consumption and savings. With a strong focus on infrastructure development—particularly in roads, railways, and urban facilities—the budget aims to enhance connectivity, create jobs and stimulate demand in related sectors. Support for the Production Linked Incentive (PLI) scheme and the "Make in India" initiative positions India as a global manufacturing hub while transforming India Post into a key player in improving logistics and financial inclusion in rural areas.



The budget also reflects a commitment to clean mobility and renewable energy through extended subsidies under the FAME India Phase II scheme and investments in EV charging infrastructure, promoting a greener economy. With a targeted fiscal deficit of 4.4% of GDP for FY 2025-26, down from 4.8%, the government emphasises fiscal consolidation, ensuring that growth-oriented reforms are pursued on a stable and sustainable path.

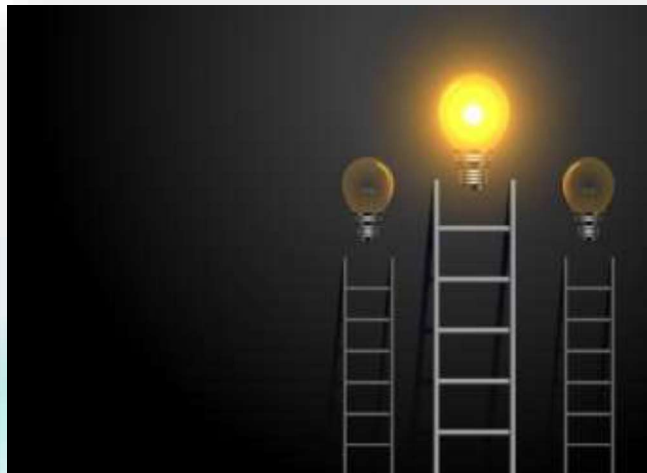
## OPPORTUNITIES AND THREATS

The diamond, gold, and luxury goods industry continues to evolve, offering both promising opportunities and potential challenges. The Company closely monitors market trends, consumer behavior, and technological advancements to leverage growth avenues while remaining vigilant against emerging threats. A balanced and strategic approach enables the Company to strengthen its market position and adapt to changing dynamics. The key opportunities and threats are summarized below:

## Opportunities

### 1. Shifting Consumer Preferences Toward Branded and Ethical Jewellery

A rising segment of consumers—particularly millennials and Gen Z—are increasingly gravitating toward branded, ethically sourced and certified jewellery. This generational shift represents a powerful opportunity for the Company to enhance its positioning around transparency, traceability, and social responsibility, thereby commanding premium pricing and deepening brand trust.



### 2. Emergence of Lab-Grown Diamonds (LGDs)

The growing acceptance and demand for lab-grown diamonds offer a unique growth corridor. With lower environmental impact, price affordability, and expanding global recognition, LGDs present an attractive, scalable opportunity. By strategically entering this space—through design innovation, dedicated branding, or strategic alliances—the Company can access a younger and more conscious buyer segment.

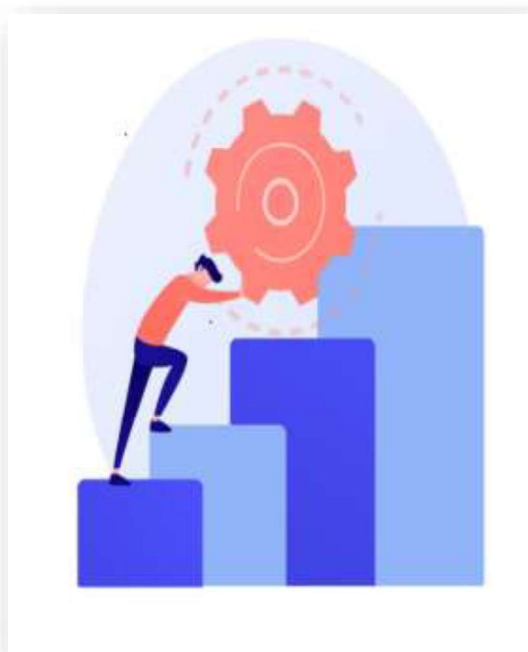
### 3. Expansion into Underpenetrated Global Markets

India remains a dominant force in global diamond processing. However, the potential for higher-margin export growth lies in under-tapped regions like Africa, Southeast Asia, and select Middle Eastern markets. With their rising disposable income and evolving consumer culture, these markets provide the Company with an opportunity to diversify geographically and reduce dependence on mature Western economies.

### 4. Tailoring for Urban Middle-Class and Aspirational Buyers

The expanding urban middle-class population in India, with rising aspirations and evolving lifestyle preferences, is increasingly viewing jewellery as a lifestyle product, not just a traditional asset. Offering accessible luxury through modular collections, lightweight designs, and financing options can help the Company tap into this fast-growing demographic.

## Threats



### 1. Price Volatility of Precious Inputs

The Company operates in a segment heavily exposed to global commodity price fluctuations. Volatility in the prices of rough diamonds, gold, or other precious metals directly impacts margin stability. Without dynamic inventory planning and hedging mechanisms, sudden shifts can erode profitability.

### 2. Intensifying Market Competition and Margin Pressures

The jewellery market—both domestic and export-oriented—is increasingly competitive, with branded players, low-cost regional manufacturers, and global digital-first brands competing on design, price and service. Maintaining market share and profitability

under these conditions requires sustained

investment in innovation, branding, and customer experience.

### 3. Regulatory Shifts and Compliance Costs

Frequent regulatory interventions—such as changes in import duties, hallmarking mandates, or certification standards—can introduce unpredictability in cost structures and compliance timelines. Especially in the export sector, bilateral trade agreements or geopolitical tensions may also affect cross-border operations.

### 4. Changes in Consumer Behavior

Preferences are shifting rapidly toward customization, digital buying, and ethically sourced products. A failure to adapt product offerings or customer engagement models to these evolving expectations could lead to brand erosion and lost relevance among younger consumers.

### 5. Global Macroeconomic Headwinds

Global demand for luxury goods is sensitive to economic cycles, Inflation, currency depreciation, interest rate movements, or geopolitical crises in key export destinations can directly impact order volumes, pricing flexibility, and working capital cycles.



## SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

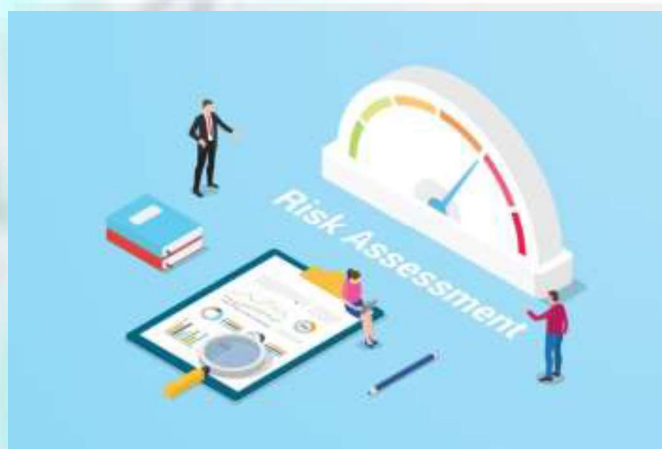
Gautam Gems Limited operates in a single business segment encompassing the trading, manufacturing and processing of rough and polished diamonds, along with gold jewelry. As the Company's activities are concentrated within this core area, separate segmental reporting is not applicable.

The Company continues to focus on its primary product categories, including polished diamonds of various grades, sizes and shapes, as well as select gold jewelry offerings. Performance during the financial year was primarily driven by domestic demand and existing customer relationships. Product quality, consistency in service and timely delivery remain key factors supporting the Company's performance in this unified business vertical.

Accordingly, the financial results of the Company reflect the performance of this single integrated segment, and no further segmental bifurcation is required under applicable accounting standards.

## RISK & CONCERNS

The Company operates in a dynamic global environment, which presents a wide array of risks inherent to the diamond, gold and luxury goods industry. Proactively identifying and managing these risks is critical to ensuring long-term sustainability and stakeholder value. The key categories of risks and the Company's mitigation strategies are outlined below:



### I. Market-Related Risks

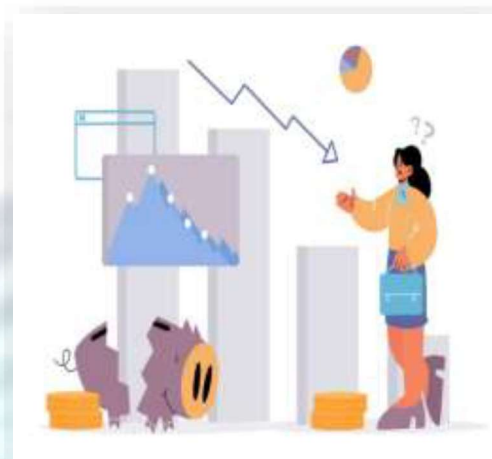
The global diamond and precious metals industry is influenced by macroeconomic cycles, geopolitical dynamics, and changing consumer preferences. Being a non-essential luxury segment, demand for diamonds and gold is particularly sensitive to global economic sentiment, disposable income, and retail consumption trends.

Fluctuations in the prices of diamonds and gold, driven by international supply-demand imbalances, speculative activities, and currency exchange volatility, may adversely impact revenue, margins, and working capital requirements. Additionally, the emergence of lab-grown diamonds and alternative jewelry materials is gradually altering traditional buying behavior, potentially impacting long-term demand for natural diamonds.

Competition is intensifying with a mix of organized players, artisanal traders and digital-first entrants expanding their footprint across domestic and international markets. This may lead to pricing pressures, margin erosion or loss of market share for players unable to adapt quickly.

### Key Mitigation Strategies:

To address market-related and operational risks, the Company is actively focusing on expanding into value-added segments such as certified gemstones, customized jewelry and branded product lines that cater to evolving customer preferences and offer higher margins. Efforts are underway to strengthen strategic partnerships and widen distribution networks in order to enhance market access across domestic and export geographies. The Company closely monitors emerging consumer trends, enabling it to realign its product portfolio with high-demand segments and maintain competitiveness.



## II. Financial Risks

The Company's financial performance is influenced by several external and internal factors, including currency volatility, interest rate fluctuations and global commodity cycles. Given that a substantial part of the diamond and gold trade is conducted in foreign currencies (primarily USD), adverse exchange rate movements may affect export competitiveness and profitability.

The sector is also capital-intensive in nature due to high inventory values and longer operating cycles, making liquidity and cash flow management a critical aspect. Credit risk from delayed payments or counterparty defaults may further strain operational flexibility.

Changes in the fair value of certain assets, if not aligned with prevailing market conditions, could result in impairments, adversely affecting the balance sheet.

### Key Mitigation Strategies:

To manage financial risks effectively, the Company places strong emphasis on integrating cash flow forecasting with its procurement and sales planning processes. This ensures that liquidity is maintained in line with business needs and market fluctuations. The Company follows a conservative approach to leverage, maintaining low debt levels and relying primarily on internal accruals and relationship-based financing to support its operations. A disciplined approach to receivables management is in place, with regular monitoring of customer credit profiles and collection cycles to minimize defaults and maintain a healthy working capital position.

### III. Regulatory and Compliance Risks

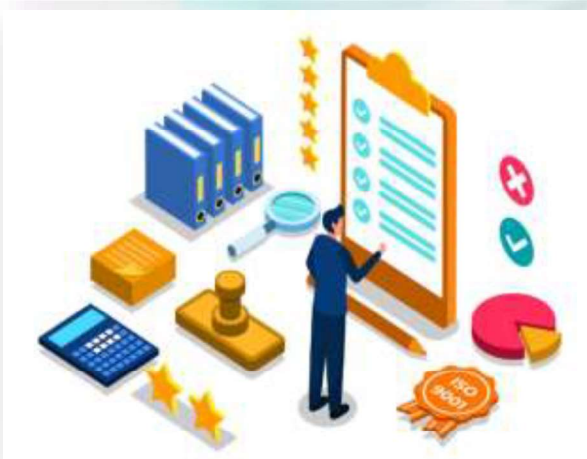
As a listed entity operating in the highly regulated sectors of precious stones and gold trading, the Company is subject to a wide range of statutory and compliance frameworks. These include, but are not limited to, adherence to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, applicable provisions under the Income Tax Act, Goods and Services Tax (GST) laws and other sector-specific rules and reporting norms.

Any delays or lapses in complying with financial disclosures, statutory filings, or corporate governance obligations may lead to penalties, regulatory scrutiny or damage to the Company's reputation.

Moreover, with increased focus on responsible business practices, ethical sourcing and transparent operations, the Company must remain vigilant to evolving compliance expectations, even within the domestic market.

#### Key Mitigation Strategies:

To mitigate such risks, the Company has established dedicated compliance and legal functions that actively monitor regulatory developments and ensure timely and accurate disclosures. Internal audit mechanisms and process-level checks are implemented to minimize the risk of reporting errors or non-compliance. The Company also engages with regulatory bodies and industry associations to stay abreast of policy changes and maintain alignment with best practices. Additionally, it adopts recognized standards of ethical sourcing and transparent business conduct to reinforce stakeholder confidence and minimize compliance-related risks.



### IV. Operational Risks

The Company's operations are reliant on the consistent availability of rough diamonds and gold from markets as well as smooth coordination across various stages such as cutting, polishing, certification and distribution. While the supply chain is primarily domestic, any disruptions—such as transportation delays, strikes, regulatory changes or interruptions in supply from key local vendors—can impact production schedules and inventory flow.

Manufacturing and polishing activities require high levels of precision and depend on skilled craftsmanship. Any malfunction in machinery, breakdown of IT systems or infrastructure-related issues may lead to production slowdowns, quality inconsistencies or missed delivery timelines. Furthermore, the availability and retention of experienced artisans and trained personnel remain critical to maintaining operational throughput and product quality.

Due to the nature of the business, which involves handling high-value inventory such as diamonds and gold, physical security and accurate valuation also represent significant operational risks. Breaches in security protocols or lapses in asset verification can result in material financial losses and reputational impact.

#### **Key Mitigation Strategies:**

To address these challenges, the Company focuses on maintaining strong relationships with a diverse base of suppliers to ensure supply continuity. Regular training, upskilling and retention programs are conducted to preserve artisanal expertise and ensure a steady talent pipeline. The Company has also implemented stringent physical security measures to safeguard inventory and mitigate theft or loss risks.

#### **V. Strategic and Business Model Risks**

The gems and jewelry industry is influenced by shifting consumer preferences, economic cycles, fashion trends and evolving perceptions of luxury. In this dynamic environment, the Company faces strategic risks related to its ability to remain relevant, competitive, and aligned with changing market expectations. Factors such as the growing popularity of lab-grown diamonds, rising demand for certified and ethically sourced stones and changing design trends could affect the demand for traditional diamond and gold products.

In addition, the industry is becoming increasingly competitive, with both organized and unorganized players offering similar products. Any inability to effectively differentiate offerings or maintain consistent quality standards may result in reduced customer preference or loss of market share. Moreover, the long-standing nature of traditional business models in the industry poses challenges when adapting to modern retail practices, shifting consumer behavior or regulatory expectations around transparency and traceability.

#### **Key Mitigation Strategies:**

To address these risks, the Company focuses on maintaining strong supplier and customer relationships, upholding consistent product quality and offering a range of stones and jewelry that cater to varied customer preferences. Emphasis is placed on certified products and ethical sourcing to align with the growing importance of trust and transparency in the industry. The Company regularly evaluates market trends and customer feedback to inform its inventory mix and business planning. Strengthening brand reputation through word-of-mouth, customer loyalty, and industry credibility remains central to the Company's long-term strategic approach.

## VI. Human Resource and People Risks

The diamond and gold industry is highly dependent on skilled labor, particularly experienced artisans, craftsmen, and trading professionals. The Company's ability to maintain consistent quality and operational efficiency is closely tied to the availability and retention of such skilled personnel. Attrition of experienced staff or difficulties in attracting new talent could impact productivity, training costs, and overall business continuity.



Additionally, the Company must ensure compliance with applicable labor laws, health and safety regulations, and workplace standards. Any failure to maintain a safe and fair working environment may lead to workforce dissatisfaction, legal exposure, or reputational risks. Given the manual nature of the work involved, there is also a need for constant attention to physical working conditions and employee well-being.

### Key Mitigation Strategies:

The Company places strong emphasis on employee engagement, maintaining safety standards, and following fair labor practices. Training and mentoring are regularly conducted to improve skills and preserve the artisanal expertise that the business depends upon.

## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Gautam Gems Limited has in place a well-structured and effective internal control system, which is continuously reviewed and strengthened to align with the scale and complexity of its operations. These controls are designed to ensure the orderly and efficient conduct of business, safeguard the Company's assets, ensure the accuracy of accounting records and promote adherence to applicable laws and regulations.

The internal control framework encompasses defined policies, standard operating procedures and clear delegation of authority across all key functions. Both internal and external auditors periodically evaluate these systems and their observations and suggestions are reviewed by the Audit Committee of the Board for timely implementation and improvement.

Internal Financial Controls (IFC) are in place, covering financial reporting, operational controls and compliance risk mitigation. The Company has put in place controls around related party transactions and ensures strict adherence to governance protocols. The Board of Directors and the Audit Committee regularly monitor the adequacy and effectiveness of these internal financial controls.



The internal audit program is structured in consultation with statutory auditors to maintain independence and ensure comprehensive coverage across business functions. Audit findings, along with corrective actions taken, are presented to the Audit Committee on a regular basis. This robust control environment helps the Company ensure the integrity of financial reporting, secure operational efficiency, and comply with all regulatory requirements.

## **INDUSTRIAL RELATIONS AND HUMAN RESOURCE MANAGEMENT**

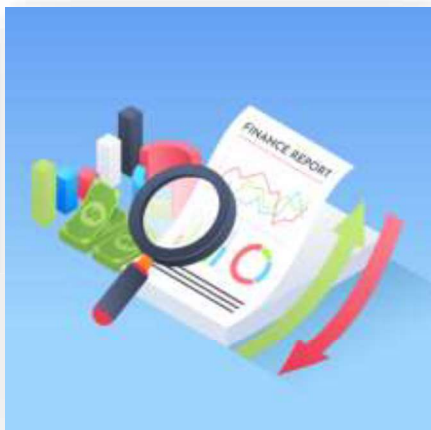
Gautam Gems Limited recognizes that human capital is one of the most valuable assets driving its long-term success and sustainability. The Company's workforce plays a pivotal role in supporting business operations, maintaining craftsmanship standards and ensuring customer satisfaction.

Throughout the year, the Company has focused on enhancing its human resource policies and strengthening employee engagement initiatives. Efforts have been directed toward improving workplace conditions, offering skill development opportunities, and fostering a culture of accountability and mutual respect. Training programs, both on technical skills and soft skills, are conducted periodically to enhance individual capabilities and operational effectiveness.

As of the end of the financial year, the Company had a total of 17 employees on its payroll. The work environment continues to be collaborative and performance-driven. The Company also places high importance on employee health and safety, especially for workers engaged in manufacturing and polishing activities. Safety protocols are in place at the operational level, and adequate measures are taken to ensure a secure and hazard-free workplace.

Industrial relations during the year remained harmonious, with no disruptions or labor-related issues reported. The Company continues to attract talent from across India to support its expansion and long-term business goals, while promoting a culture that values loyalty, integrity, and excellence.

## DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.



### 1. Revenue Trends and Strategic Approach

In FY25, Gautam Gems Limited reported revenue from operations of approximately ₹78.34 crore, a decline from ₹101.34 crore in FY24. This reduction in turnover, close to 23%, is not solely indicative of weakening demand but also reflects a deliberate strategic shift. The company appears to have taken a more conservative sales approach, likely focusing on higher-quality trades, reduced customer credit cycles, and selective order fulfillment to manage risk during a year of uncertain market sentiment, particularly in the gems and jewellery segment.

This strategic discipline is also supported by relatively stable other income, which rose slightly from ₹0.24 crore to ₹0.25 crore. This suggests a continued focus on optimizing other financial assets without over-reliance on core sales to drive overall receipts.

### 2. Cost Structure and Operational Realignment

The cost of purchases decreased from ₹124.83 crore in FY24 to ₹74.74 crore in FY25. However, the drop-in procurement was accompanied by a more balanced inventory management strategy. Inventories fell marginally from ₹45.27 crore to ₹43.24 crore, showing the company is no longer aggressively stocking goods — a prudent step given demand unpredictability and the capital-intensive nature of gem trading.

Changes in inventories of finished goods and stock-in-trade were minor (around ₹2 crore increase), indicating that production or procurement was closely aligned with demand. This contrasts with the previous year, where inventory swings played a larger role in earnings volatility.

### 3. Profitability and Margin Pressures

Gautam Gems Limited reported a net profit of ₹0.28 crore in FY25, compared to ₹0.38 crore in FY24, reflecting a modest decline. While profitability stayed in positive territory, the compression underscores margin pressure in the face of reduced revenue and relatively fixed cost structures.

Employee benefit expenses remained broadly stable at ₹0.66 crore, with only a marginal decline from the previous year (₹0.91 crore). Similarly, finance costs were maintained at ₹0.33 crore, close to the ₹0.35 crore recorded in FY24. This indicates that despite the top-line contraction, the company chose not to aggressively cut administrative or workforce-related

expenses — possibly reflecting a deliberate strategy to preserve operational readiness and core capabilities for future scale-up.

Depreciation and amortization expenses saw a slight reduction to ₹0.07 crore, in line with lower fixed asset activity. However, the impact on the overall cost base was minimal, suggesting that the primary margin squeeze stemmed from subdued revenue generation rather than cost inflation.

The overall trend points to a company managing profitability through disciplined cost control, without compromising on foundational infrastructure — positioning itself for improved margins once top line growth stabilizes.

#### 4. Balance Sheet Strength and Financial Prudence

Total assets reduced slightly from ₹73.85 crore in FY24 to ₹71.09 crore in FY25. A large portion of the asset base continues to be composed of inventories and trade receivables, which jointly account for over 90% of current assets — a typical structure in trading businesses.

The equity base remained firm at ₹42.85 crore, while other equity improved marginally from ₹8.17 crore to ₹8.43 crore, reflecting retained earnings. Importantly, the company maintained a low-debt profile, with total borrowings (both current and non-current) remaining under ₹6.5 crore. Deferred tax liabilities increased slightly to ₹0.20 crore, but these are within a manageable range.

#### 5. Cash Flow Efficiency

Despite the moderate profitability, cash flow from operations improved significantly, moving from a negative ₹26.01 crore in FY24 to a positive ₹0.30 crore in FY25. This shift is a result of better working capital discipline, including a reduction in trade receivables and tighter inventory turnover.

Investing and financing cash flows remained marginal, showing the company was not engaged in significant capital expansion or shareholder distributions, but rather focused on preserving liquidity. The closing cash and cash equivalents stood at ₹0.14 crore, modest but sufficient given the company's low fixed cost base.

#### 6. Operational Overview and Business Direction

Operationally, Gautam Gems Limited appears to be recalibrating its model — shifting from volume-driven trading to a more measured, value-focused strategy. The consistent, albeit modest, profitability even during a lower turnover phase, suggests that the company is consciously avoiding aggressive growth that might over-leverage its balance sheet or compromise quality.

The stability in core operations, cautious procurement, and tighter cash control mechanisms position the company well if market conditions improve in the coming periods. Importantly, the company has not diluted equity or relied on external debt, preserving shareholder value and financial independence.

### DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

The following table presents the key financial ratios for Gautam Gems Limited for the financial years 2023 and 2024, highlighting significant changes:

Ratio	FY 2025	FY 2024	% Change	Explanation
<b>Debtors Turnover</b>	3.24	4.08	20.51%	-
<b>Inventory Turnover</b>	1.81	2.24	19.06	-
<b>Current Ratio</b>	3.52	3.17	11.19%	-
<b>Debt Equity Ratio</b>	0.12	0.08	48.68	Slight increase in Financial Cost

These changes highlight operational challenges with slower receivables and inventory turnover, impacting cash flows. Nevertheless, interest coverage improved, indicating manageable financial expenses relative to earnings. Liquidity and leverage ratios remained stable, signaling sound financial health despite margin pressures.

### DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR

The Return on Net Worth (RONW) declined from 0.75 in FY 2024 to 0.55% in FY 2025, representing a decrease. This reduction stems primarily from the decline in net profits, which dropped from ₹0.38 crore to ₹0.28 crore, against a relatively stable net worth base. The subdued profitability was driven by margin compression amid declining revenue, while equity levels remained largely unchanged. The company's strategy to maintain operational capacity and human resources, despite lower sales, contributed to higher fixed costs relative to income, further impacting returns. However, the stable capital base positions the company well for leveraging growth opportunities once market conditions improve.

### DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of its financial statements for the financial year, The Company has followed all applicable Indian Accounting Standards (Ind AS) as prescribed under the Companies Act, 2013. There has been no deviation or alternative treatment adopted in the accounting of any transaction that differs from the prescribed standards.

Accordingly, no disclosure is required regarding any alternate accounting treatment, as the financial statements present a true and fair view of the state of affairs of the Company in full compliance with the applicable accounting framework.

### CAUTIONARY STATEMENT

Certain statements in this Report describing the Company's objectives, projections, estimates, expectations, or predictions may be considered "forward-looking statements" within the meaning of applicable laws and regulations. These forward-looking statements are based on various assumptions and are subject to risks and uncertainties that could cause actual results, performance or achievements to differ materially from those expressed or implied herein.

Factors that may affect the actual outcomes include, but are not limited to, changes in domestic market conditions, economic developments, variations in demand and supply, changes in governmental policies and tax regimes, fluctuations in commodity prices, and the impact of natural calamities and other unforeseen events—most of which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify, or revise any forward-looking statements based on subsequent developments, information, or events.

**Place: Surat**  
**Date: 04/09/2025**

**For and on behalf of the Board of Directors**  
**Gautam Gems Limited**

**Sd/-**  
**Gautam P. Sheth**  
**Managing Director**

**Sd/-**  
**Nidhi G. Sheth**  
**Director**





## Introduction

Corporate Governance of your Company is rooted in a strong commitment to ethical conduct, transparency and accountability. It reflects our belief that good governance is essential for building trust and creating long-term value for all stakeholders. The Company has in place a structured governance framework that supports responsible decision-making, ensures regulatory compliance and aligns operations with stakeholder expectations.

This report, forming part of the Directors' Report for the financial year ended March 31, 2025, has been prepared in compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. It outlines the Company's compliance with Regulations 17 to 27, Regulation 34(3), and other applicable clauses of Regulation 46 and Schedule V of the SEBI Listing Regulations.

## A Brief Statement on the Philosophy on Code of Governance

Corporate Governance is the cornerstone of responsible business conduct and long-term value creation. It refers to the set of systems, principles and processes by which a company is directed and controlled, ensuring that the interests of all stakeholders—shareholders, employees, customers, regulators, and the community at large—are safeguarded in a transparent and accountable manner.

The governance framework is designed to promote ethical decision-making, enhance operational efficiency, and ensure compliance with statutory and regulatory requirements. It focuses on ensuring timely and accurate disclosure of all material matters relating to the business, including financial performance, leadership, and strategy.

A sound governance structure is in place, guided by principles such as integrity, fairness, accountability, responsibility, and transparency. These principles are embedded in the organization's culture and are implemented through policies, procedures, and internal controls that ensure compliance and foster responsible management. Oversight mechanisms, such as the Audit Committee, Nomination and Remuneration Committee, and other committees of the Board, function effectively to review key aspects of the Company's operations and performance.

The philosophy is not limited to compliance with legal obligations but extends to ensuring that the Company's operations align with the best interests of all stakeholders and reflect high standards of business ethics. The governance practices are periodically reviewed and upgraded to incorporate National standards and evolving industry benchmarks.

The guiding belief is that strong corporate governance enhances the Company's credibility, improves investor confidence, and contributes significantly to the creation of long-term shareholder value.

## Board of Directors



The Board of Directors ("the Board") is the apex governing body of the Company and plays a pivotal role in upholding our commitment to the highest standards of corporate governance. It is entrusted with the responsibility of steering the Company towards sustainable, ethical, and accountable growth while safeguarding the long-term interests of all stakeholders.

Comprising experienced, independent and highly experienced Directors, the Board brings a diverse range of expertise and perspectives. It provides strategic oversight, ensures adherence

to sound governance practices, and offers independent judgment on key issues. The Board actively monitors the performance of the senior management and ensures that business decisions are aligned with the Company's values, vision, and long-term goals.

In discharging its fiduciary duties, the Board promotes a culture of integrity and transparency, fostering a governance framework that meets both shareholder expectations and societal responsibilities.

### Size and Composition of the Board

Our Company's Board is structured to provide an appropriate balance between Executive and Independent Directors, ensuring effective oversight and strategic guidance. The composition is in conformity with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

As on March 31, 2025, the Board comprises **five members**, as detailed below:

S. No.	Category	Composition	% of Total Board Strength
1	Executive Directors	2 (including 1 Woman Director)	40%
2	Independent Directors	3	60%

All Independent Directors have submitted declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have also confirmed that they are not aware of any circumstance or situation which exists or is anticipated that could impair or impact their ability to discharge their duties as Independent Directors.

In the opinion of the Board, the Independent Directors fulfill the conditions of independence as specified in the SEBI Listing Regulations and the Companies Act, 2013 and are independent of the management. The Company has issued formal letters of appointment to the Independent Directors and, as required under Regulation 46 of the SEBI Listing Regulations, the terms and conditions of their appointment are available on the Company's website.

There are no inter-se relationships among the members of the Board, except that Mr. Gautam Sheth and Mrs. Nidhi Sheth are spouses.

The present composition reflects the Company's commitment to good governance, a well-balanced Board structure, and diversity of experience and perspectives. The Board periodically reviews its size and composition to ensure it remains aligned with the Company's evolving needs.

The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies and membership in committees of other companies. The composition of the Board is in conformity with the applicable provisions of the Companies Act, 2013, read with the Regulation 17 of the SEBI Listing Regulations as on March 31, 2025.

Further details are as follows:

Sr. No.	Name of Director	Category	Board Meetings Held	Board Meetings Attended	Attendance at Last AGM	Directorships in Public Cos.#	\$No. of Committee Membership / Chairmanship in other Companies during the Year End	
							Member	Chairman
1.	Gautam Pravinchandra Sheth	Promoter Executive	10	10	yes	1	1	-
2.	Nidhi Gautam Sheth	Promoter Executive	10	10	yes	-	-	-
3.	Umeshbhai Rasiklal Gor	Non-Executive - Independent	10	10	yes	2	1	1
4.	Pravin Manilal Parekh	Non-Executive - Independent	10	10	yes	-	-	-
5.	Harshit Hasmukhbhai Vadecha	Non-Executive - Independent	10	10	yes	-	-	-

# Excludes Private Cos., Foreign Cos., Sec. 8 Cos., and the reporting company itself.

§ In accordance with Regulation 26(1) of SEBI (LODR) Regulations, 2015, only Memberships/Chairmanships of Audit Committees and Stakeholders Relationship Committees in all Public Limited Companies have been considered excluding the reporting entity. Total number of memberships includes the Committees in which Director is a chairperson.

**Listed Entities & Directorship Type**

Sr. No.	Name of Director	Name of Listed Entities (excluding Gautam Gems Limited) in which a Person is a Director	Category of Directorship
1.	Gautam Pravinchandra Sheth	Ardi Investment and Trading Co Ltd	Managing Director
2.	Nidhi Gautam Sheth	None	-
3.	Umeshbhai Rasiklal Gor	1. Encode Packaging India Limited 2. Vivid Mercantile Limited	Non-Executive - Independent
4.	Pravin Manilal Parekh	None	-
5.	Harshit Hasmukhbhai Vadecha	None	-

**Number of Meetings of the Board of Directors and Dates of Meetings Held:**

During the financial year ended March 31, 2025, total 10 (Ten) meetings of the Board of Directors were held. The maximum interval between two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. The attendance record of the Directors at the Board Meeting is as under:

Sr. No.	Date of Meeting	Gautam P. Sheth	Nidhi G. Sheth	Umesh R. Gor	Pravin M. Parekh	Harshit H. Vadecha	Kanchanben P. Sheth	Prakash N. Mehta
1	02-May-2024	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	30-May-2024	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	12-Jul-2024	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	06-Sep-2024	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	24-Sep-2024	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	08-Oct-2024	Yes	Yes	Yes	Yes	Yes	NA	NA
7	28-Nov-2024	Yes	Yes	Yes	Yes	Yes	NA	NA
8	11-Dec-2024	Yes	Yes	Yes	Yes	Yes	NA	NA
9	13-Jan-2025	Yes	Yes	Yes	Yes	Yes	NA	NA
10	27-Jan-2025	Yes	Yes	Yes	Yes	Yes	NA	NA

*Yes – Attended / No – Not Attended / NA – Not a director on that date of Meeting*

All such meetings were held physically and The Company has complied with the applicable provisions of the Companies Act, 2013, read with the Secretarial Standards and the SEBI Listing Regulations.



### Relationship Disclosure

Mr. Gautam Pravinchandra Sheth, Managing Director is a relative (Spouse) of Mrs. Nidhi Gautam Sheth, Director of the Company. None of the other Directors are related to any other Director of the Company.

### Shareholding of Non-Executive Directors

None of the Non-Executive Directors hold any equity shares or convertible instruments of the Company as on March 31, 2025.

### Familiarization Program for Independent Directors

Details of the familiarisation programs imparted to the Independent Directors are available on the website of the Company at <https://www.gautamgems.com/cpo.php>

### Skills, Expertise, and Competence of the Board of Directors



#### 1. Leadership & Strategic Direction

- Expertise in setting long-term vision, defining corporate strategy, and steering the organization towards sustainable growth. This includes experience in decision-making at senior leadership levels and aligning organizational goals with stakeholder interests.



#### 2. Finance & Treasury Management

- Proficiency in financial planning, budgeting, capital structuring, risk management, and treasury operations. Includes knowledge of financial reporting, internal controls, and financial compliance frameworks.



#### 3. Supply Chain & Operations

- In-depth understanding of end-to-end supply chain processes, inventory management, logistics, procurement, and operational efficiency. Demonstrated ability to optimize operations for cost-effectiveness and agility.



#### 4. Export-Import & Trade Compliance

- Knowledge of international trade laws, export-import documentation, foreign exchange regulations, and compliance requirements. Experience in managing cross-border transactions and ensuring adherence to global trade standards.



#### 5. Corporate Governance & Regulatory Affairs

- Familiarity with corporate governance best practices, SEBI regulations, Companies Act, and other statutory compliance. Includes board functioning, risk oversight, ethics, and stakeholder engagement.



#### 6. Industry Knowledge (Diamonds)

- Specialized knowledge of the diamond industry value chain including sourcing, manufacturing, grading, certification, and market dynamics. Understanding of global trends and regulatory aspects specific to the gems and jewelry sector.



#### 7. Technology & Automation

- Insight into emerging technologies, digital transformation, and process automation. Includes experience in implementing ERP systems, data analytics, and improving operational workflows through tech integration.



#### 8. Human Capital Management

- Experience in talent acquisition, employee engagement, performance management, leadership development, and organizational culture. Emphasis on aligning human resources strategy with business objectives.



#### 9. Risk Management & Crisis Response

- Expertise in identifying, assessing, and mitigating business risks, both financial and operational. Ability to manage and navigate through crises, ensuring business continuity, protecting stakeholder value, and adhering to compliance standards during periods of uncertainty.

Skills / Expertise	Gautam P. Sheth	Nidhi G. Sheth	Umesh R. Gor	Pravin M. Parekh	Harshit H. Vadecha
Leadership & Strategic Direction	*		*		*
Finance & Treasury Management	*	*	*	*	
Supply Chain & Operations	*	*			*
Export-Import & Trade Compliance	*	*			*
Corporate Governance & Regulatory Affairs	*	*	*		*
Industry Knowledge (Diamonds)	*	*	*	*	

<b>Technology &amp; Automation</b>	*				*
<b>Human Capital Management</b>			*	*	*
<b>Risk Management &amp; Crisis Response</b>	*		*	*	

\*: Expertise possessed by the director |

**Note** - Each Director may possess varied combinations of skills/ expertise within the described set of parameters, and it is not necessary that all Directors possess all skills/ expertise listed therein.

### Resignation of Independent Director(s)

During the financial year 2024-2025, the following Independent Director(s) resigned before the completion of their tenure:

<b>Sr. No</b>	<b>Name of Director</b>	<b>Date of Resignation</b>	<b>Detailed Reason for Resignation</b>	<b>Confirmation of No Other Material Reasons</b>
1	Kanchanben Pravinbhai Sheth	24-09-2024	Personal reasons	The Company has received confirmation from the Independent Director(s) as required under Regulation 30(6) of SEBI LODR Regulations read with Clause 7B of Part A of Schedule III, stating that there are no other material reasons other than those provided
2	Prakash Nanalal Mehta	24-09-2024	Preoccupation	

### COMMITTEES OF THE BOARD

The Board Committees play a crucial role in upholding sound Corporate Governance practices. These Committees are established to manage specific tasks and facilitate the prompt resolution of various issues. Formed with the formal approval of the Board, each Committee performs well-defined functions carried out by Board members as part of good governance. The Board oversees the Committees' execution of their duties and remains accountable for their actions. Minutes from all Committee meetings are presented to the Board for review.

As of March 31, 2025, the Board has formed the Audit Committee, Nomination and Remuneration Committee, and Stakeholders' Relationship Committee. These Committees focus on distinct areas to make informed decisions within their delegated authority. Each

Committee operates according to its charter, which outlines its scope, powers, and membership. All Committee decisions and recommendations are submitted to the Board for information or approval.

In addition to the three established Committees, the Board retains the authority to form other functional Committees as business needs arise. Furthermore, a Committee of Directors has been constituted in accordance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Board reviews and approves all recommendations made by these Committees, and during the year, all such recommendations were accepted.

The Company Secretary serves as the Secretary to all Committees constituted by the Board.

### **Procedure at Committee Meetings:**

The Company's guidelines relating to Board meetings are applicable to Committee meetings. The composition and terms of reference of all Committees comply with the Companies Act, 2013 and SEBI Listing Regulations, as applicable. Each Committee has the authority to engage outside experts, advisors, and counsels as deemed appropriate. Minutes of Committee meetings are circulated to Committee members and placed before the Board for its noting.

## **AUDIT COMMITTEE**

### **(a) Constitution of Audit Committee:**

In accordance with the provisions of Section 177 of the Companies Act, 2013, and Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Board of Directors of the Company has constituted the Audit Committee to ensure oversight of financial reporting, internal controls, and compliance processes.

The Audit Committee comprises four Directors: Mr. Umeshbhai Rasiklal Gor, Mr. Pravin Manilal Parekh, Mrs. Nidhi Gautam Sheth, and Mr. Harshit Hasmukhbhai Vadecha. Mr. Umeshbhai Rasiklal Gor, an Independent Director, serves as the Chairperson of the Committee, ensuring independent and objective supervision of the Committee's responsibilities. The Company Secretary of the Company acts as the Secretary to the Audit Committee, providing necessary administrative and procedural support for its effective functioning.

The Audit Committee is primarily responsible for reviewing the Company's financial statements, overseeing the audit process, evaluating internal financial controls, and monitoring the effectiveness of risk management systems. It ensures the integrity of financial reporting and compliance with legal and regulatory requirements. In addition, the Committee oversees the implementation and operation of the Whistle Blower Policy (Vigil Mechanism), which provides a secure and confidential channel for directors, employees, and stakeholders to report concerns regarding unethical behaviour, suspected fraud, or violations of the Company's code

of conduct. The Committee ensures that all such reports are handled with confidentiality, impartiality, and without fear of retaliation.

Through its defined roles, independent leadership, and structured processes, the Audit Committee plays a crucial role in reinforcing the Company's commitment to transparency, accountability, and sound corporate governance.

### **(b) Roles and Powers of the Audit Committee:**

The Audit Committee's roles and powers are as prescribed under applicable laws and regulations and include:

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient, and credible.
2. Recommending to the Board the appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to Statutory Auditors for any other services rendered by them.
4. Reviewing, with the management, the annual financial statements and the 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) Approval and Disclosure of any related party transactions.
  - g) Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.



10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. To evaluate the internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
13. 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.
14. Discussing with internal auditors any significant findings and follow-up thereon.
15. 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.
16. 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.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the whistleblower mechanism.
19. Approval of appointment of Chief Financial Officer (CFO) after assessing the qualifications, experience, and background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹100 crores or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/advances/investments existing as on the date of coming into force of this provision.
22. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the listed entity and its shareholders.
23. Such other functions as may be prescribed under the applicable laws and regulations.

*The Audit Committee mandatorily reviews the following information:*

- Management discussion and analysis of financial condition and results of operations.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal, and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- Statement of deviations:
  - (i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (ii) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**(c) Meetings of the Audit Committee:**

During the financial year 2024–25, the Audit Committee met seven (7) times. The attendance of the members was as follows:

Sr. No.	Date of Meeting	Mr. Umeshbhai R. Gor	Mr. Pravin M. Parekh	Ms. Nidhi G. Sheth	Mr. Harshit H. Vadecha
1	02-May-2024	Yes	Yes	Yes	Yes
2	30-May-2024	Yes	Yes	Yes	Yes
3	12-Jul-2024	Yes	Yes	Yes	Yes
4	06-Sep-2024	Yes	Yes	Yes	Yes
5	08-Oct-2024	Yes	Yes	Yes	Yes
6	11-Dec-2024	Yes	Yes	Yes	Yes
7	27-Jan-2025	Yes	Yes	Yes	Yes

**All members of the Audit Committee attended all meetings held during the year.**

The time gap between two consecutive meetings did not exceed 120 days, in compliance with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**NOMINATION AND REMUNERATION COMMITTEE****(a) Constitution of Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee (NRC) of the Board of Directors has been constituted in accordance with the provisions of Section 178 of the Companies Act, 2013, and Regulation 19 read with Part D(A) of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The composition of the Committee is in full compliance with the applicable regulatory framework.

The Nomination and Remuneration Committee plays a key role in overseeing the process of identifying and recommending individuals for appointment to the Board and Senior Management. It is also responsible for formulating criteria for determining qualifications, positive attributes and independence of a Director, and evaluating the performance of the Board and individual Directors. Additionally, the Committee ensures that the Company has an appropriate framework for succession planning for Directors and Senior Management personnel.

As part of its remit, the Committee also assists the Board in determining and reviewing the Company's policy on remuneration of Directors, Key Managerial Personnel (KMPs) and other employees. It ensures that the remuneration structure is aligned with industry standards,

performance parameters and the long-term interests of the Company and its stakeholders. The Remuneration Policy aims to attract, retain and motivate qualified individuals through a balanced approach of fixed and variable pay components.

The Committee was reconstituted on September 24, 2024. Prior to this reconstitution, the Committee comprised Mr. Prakash Nanalal Mehta as Chairperson and Mr. Pravin Manilal Parekh and Mr. Harshit Hasmukhbhai Vadecha, both as Members. Following the reconstitution, the Committee now consists of Mr. Pravin Manilal Parekh as Chairperson, with Mr. Umeshbhai Rasiklal Gor and Mr. Harshit Hasmukhbhai Vadecha, both, continuing as Members. The Company Secretary acts as the Secretary to the Committee, providing administrative and compliance support for the effective functioning of the Committee.

During the financial year ended March 31, 2025, the Nomination and Remuneration Committee met four times. The required quorum was present at all meetings, and the proceedings were conducted in accordance with applicable regulatory provisions.

**(b) Terms of Reference of the Committee:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 1A. 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 an 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.
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. 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 of directors their appointment and removal;
5. 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;
6. Recommend to the board, all remuneration, in whatever form, payable to senior management

**(c) Meetings Held During the Year:**

During the financial year 2024–25, the Nomination and Remuneration Committee met four (4) times. The attendance of members during their respective tenures is as follows:

Sr. No.	Date of Meeting	Mr. Prakash N. Mehta*	Mr. Pravin M. Parekh	Mr. Harshit H. Vadecha	Mr. Umeshbhai R. Gor
1	02-May-2024	Yes	Yes	Yes	NA
2	06-Sep-2024	Yes	Yes	Yes	NA
3	24-Sep-2024	NA	Yes	Yes	Yes
4	28-Nov-2024	NA	Yes	Yes	Yes

**Yes** – Attended | **No** – Not Attended | **NA** – Not Applicable (not a Committee member on that date)

\*The Nomination and Remuneration Committee was reconstituted with effect from September 24, 2024, following the resignation of Mr. Prakash Nanalal Mehta, Non-Executive Independent Director and Chairperson of the Committee. Upon reconstitution, Mr. Pravin Manilal Parekh, was appointed as the Chairperson of the Committee, and Mr. Umeshbhai Rasiklal Gor, Independent Director, was inducted as a Member.

All members of the Committee attended the meetings held during their respective tenures.

## **PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS**

In accordance with the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a formal mechanism for evaluating the performance of the Board, its Committees, and individual Directors, including Independent Directors and the Chairperson.

The evaluation process for the financial year 2024–25 was carried out through a structured questionnaire covering various aspects of Board functioning such as composition and structure, diversity, responsibilities, performance of specific duties and obligations, effectiveness of Board processes, decision-making, flow of information and engagement of Directors.

The performance of individual Directors was evaluated based on parameters including attendance and participation at meetings, contribution in Board discussions, preparedness, domain knowledge, and their role in supporting the Board's decision-making process. In the case of Independent Directors, additional criteria such as independence of judgment, safeguarding the interests of minority shareholders, and active participation in Board and Committee meetings were considered.

Additional areas for Independent Directors also include Ensuring Board independence (from the entity and other Directors with no conflict of interest), exercising independent views, judgement and performing the duties of Independent Director as prescribed under applicable statutory provisions as also the specific duties/ role assigned to them by Board/Committees.

The performance evaluation of the Board and its Committees was carried out by the entire Board (excluding the Director being evaluated, where applicable), while the evaluation of the Chairperson was undertaken by the Independent Directors, taking into account the views of Executive and Non-Executive Directors.

The Nomination and Remuneration Committee reviewed the outcome of the evaluation process and noted that the overall performance of the Board, its Committees and the Directors was effective and satisfactory. The Board discussed the feedback and suggestions arising from the evaluation process and agreed on measures for enhancing its overall effectiveness, governance practices and strategic oversight.

## **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

### **(a) Constitution of Stakeholders' Relationship Committee:**

The Stakeholders' Relationship Committee ("the Committee") of the Company has been constituted in accordance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee serves a vital role in ensuring effective and timely redressal of grievances of shareholders and other security holders, thereby reinforcing the Company's commitment to good corporate governance and investor satisfaction.

The primary responsibilities of the Committee include reviewing and resolving complaints and concerns relating to the transfer and transmission of shares, issue of duplicate share certificates, non-receipt of dividends or annual reports, change of address or bank mandates, dematerialization or re-materialization of shares, and such other issues that may arise from time to time concerning shareholder services. The Committee also oversees the performance of the Company's Registrar and Transfer Agent to ensure that high service standards are maintained in handling investor queries and transactions.

Additionally, the Committee is entrusted with monitoring the effective exercise of voting rights by shareholders and reviewing the initiatives undertaken by the Company to reduce the quantum of unclaimed dividends. The Committee also ensures that shareholders receive timely communication, including notices, financial statements, and dividend payments, and assesses the measures taken to improve overall shareholder engagement and satisfaction.



The Committee was consisted of three Directors, namely: Mr. Prakash Nanalal Mehta, Independent Director – Chairperson; Ms. Nidhi Gautam Sheth, Executive Director – Member; and Mr. Harshit Hasmukhbhai Vadecha, Independent Director – Member. During the year under review, the Committee was reconstituted following the resignation of Mr. Prakash Nanalal Mehta, Non-Executive Independent Director, effective September 24, 2024.

Post reconstitution, the Committee was restructured to include Mr. Harshit Hasmukhbhai Vadecha, Non-Executive Independent Director, as Chairperson with Ms. Nidhi Gautam Sheth, Executive Director and Mr. Umeshbhai Rasiklal Gor, Non-Executive Independent Director, as Members. The composition of the Committee is in compliance with statutory requirements, and Company Secretary of the Company acts as the Secretary to the Committee.

The Chairperson of the Committee was also present at the Annual General Meeting held during the financial year to address queries from shareholders, in compliance with the requirements of Regulation 20 of the SEBI Listing Regulations. The Committee continues to function diligently to protect the interests of security holders and to maintain the highest standards of transparency, accountability, and responsiveness in all matters relating to investor services.

#### **(b) Terms of Reference of the Committee:**

The terms of reference of the Stakeholders' Relationship Committee cover all the areas mentioned under Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The scope of the Committee includes, but is not restricted to, the following:

1. Redressal of shareholders' and investors' complaints, including and in respect of:
  - i. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers has been fully utilized.
  - ii. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.
  - iii. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out of discharge of his duties.
2. Review the process and mechanism of redressal of Shareholders'/Investor's grievances and suggest measures to improve the system.
3. Efficient transfer of shares, including review of cases for refusal of transfer/transmission of shares and debentures.
4. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities.
5. Issue of duplicate certificates and new certificates on split/consolidation/renewal.
6. Allotment and listing of shares.
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 & Share Transfer Agent.
9. 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.
10. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading as specified in the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
11. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed in a duly conducted meeting.
12. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

### Investor Complaints / Grievance Redressal Status (FY 2024–25)

- **Number of shareholder complaints received:** Nil
- **Complaints not resolved to the satisfaction of shareholders:** Nil
- **Number of pending complaints (as on March 31, 2025):** Nil

### Meeting of the Committee

During the financial year 2024–25, one meeting of the Stakeholders' Relationship Committee was held on January 27, 2025. The attendance of the members during their respective tenures is given below:

Sr. No.	Date of Meeting	Mr. Prakash N. Mehta	Ms. Nidhi G. Sheth	Mr. Harshit H. Vadecha	Mr. Umeshbhai R. Gor
1	27-Jan-2025	NA	Yes	Yes	Yes

**Yes** – Attended | **No** – Not Attended | **NA** – Not Applicable (not a Committee member on that date)

The meeting was attended by all members of the Committee who were part of its composition at the time. Mr. Prakash N. Mehta was not part of the Committee as of the meeting date, and thus did not attend. The meeting was held with the requisite quorum and focused on reviewing the status of investor grievances, the performance of the Registrar and Transfer Agent, and the effectiveness of current systems for ensuring investor satisfaction.

## SENIOR MANAGEMENT AND KEY MANAGERIAL PERSONNEL (KMP)

As on March 31, 2025, the details of Key Managerial Personnel are as under:

Sr. No.	Name	Designation
1.	Mr. Gautam Pravinchandra Sheth	Managing Director
2.	Mr. Dishant Daxeshbhai Jagad	Chief Financial Officer
3.	Ms. Krina Thakkar	Company Secretary and Compliance Officer

### Changes during the financial year 2024–25:

- Mr. Anil Modhavadiya resigned from the position of Company Secretary and Compliance Officer w.e.f. August 14, 2024.
- Ms. Krina Thakkar was appointed as the Company Secretary and Compliance Officer w.e.f. November 28, 2024.

### Remuneration Policy and Practices

The Company follows a structured and transparent framework for determining the remuneration of its Directors, Key Managerial Personnel (KMPs), and Senior Management, as recommended by the Nomination and Remuneration Committee (NRC) and approved by the Board.

The Remuneration Policy is designed in accordance with Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”). It aims to:

- Ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate qualified individuals for effective management and operations;
- Establish a clear relationship between remuneration and performance, aligning rewards with measurable performance benchmarks;
- Provide a balanced approach between fixed and variable (incentive-based) pay, linked to short-term and long-term performance objectives.

### Salient Features of the Remuneration Policy

- **Independent Directors (IDs) and Non-Executive Directors (NEDs):**

Remuneration comprises sitting fees for attending meetings of the Board and its Committees, and commission, if any, as approved by shareholders. The policy ensures that such remuneration is consistent with the role and responsibility of the directors and within the limits prescribed under the Companies Act, 2013.

- **Whole-Time Directors, KMPs and Senior Management:**

The remuneration structure includes:

- Fixed components such as base salary, perquisites and retirement benefits;
- Variable components such as performance-linked incentives, bonus and/or commission;
- Parameters consider individual performance, company performance, and industry benchmarks.

- **Remuneration for services rendered in other capacity:**

Directors may be entitled to remuneration for services rendered in a professional capacity, provided such services are of a nature that requires possession of special skills and are not rendered in the capacity of a Director.

### **Criteria for Payment to Non-Executive Directors**

The Nomination and Remuneration Committee recommends payments to Non-Executive Directors considering factors such as the extent of responsibilities, time devoted to the Company's affairs, attendance at meetings, and the prevailing industry practices. The policy on Director remuneration is available on the Company's website for transparency at <https://www.gautamgems.com/cpo.php>

The Nomination and Remuneration Committee reviews the remuneration policy periodically to ensure it remains aligned with the Company's goals, industry standards, and regulatory requirements. The remuneration framework encourages transparency and fairness while aligning the interests of the Directors with those of the shareholders.

### **Pecuniary Relationship of Non-Executive Directors**

Non-Executive Directors have no pecuniary relationships or transactions with the Company except reimbursement of expenses incurred for attending meetings of the Board or its Committees. There are no commissions or other payments made to Non-Executive Directors during the financial year under review. Further, Company has paid only sitting fees to the Independent Directors.

### **(e) Stock Option Details**

The Company has not granted any stock options during the financial year 2024–25. Consequently, there were no outstanding stock options, nor were any issued at a discount. No options were accrued or became exercisable during the year under review.

**Remuneration Paid to Directors during Financial Year 2024-25**

(Amount in Rupees)

Name of Director	Designation	Salary & Allowances	Performance Incentive	Sitting Fees	Commission /Perquisites & Others	Total
Gautam Pravinchandra Sheth	Managing Director	3,00,000	-	-	-	3,00,000
Nidhi Gautam Sheth	Executive Director	2,00,000	-	-	-	2,00,000
Harshit Hasmukhbhai Vadecha	Non-Executive Director	-	-	-	-	-
Umeshbhai Rasiklal Gor	Non-Executive Director	-	-	-	-	-
Pravin Manilal Parekh	Non-Executive Director	-	-	-	-	-

*Note: Sitting fees and commission to Non-Executive Directors are authorized under law but were not paid during the year.*

**Service Contracts, Notice Period, and Severance Fees:**

The terms of appointment of the Executive Directors are in accordance with the provisions of the Companies Act, 2013. There are no separate or additional contractual arrangements. The notice period, where applicable, is governed by the Company's human resources policies and applicable statutory provisions. No severance fees or compensation for loss of office were paid or committed during the financial year 2024-25.

**General Body Meetings:**

(a) The details of the last three Annual General Meetings (AGMs) of the Company are as under:

Year	Date	Time	Venue	Special Resolutions Passed
2023-24	30 <sup>th</sup> September, 2024	12:00 Noon	Video Conferencing	No Special Resolution was passed
2022-23	30 <sup>th</sup> September, 2023	12:00 Noon	Registered Office of the Company situated at 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat -395004 Gujrat	
2021-22	29 <sup>th</sup> September, 2022	3:00 PM		



### Extra Ordinary General Meeting:

During the Financial Year 2024- 25, An Extra Ordinary General Meeting (EGM) of the Company was held on Saturday, May 25, 2024 at 01:00 P.M. at the registered office of the Company situated at 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat -395004 Gujrat and transacted the following business:

1. Appointment of the Statutory Auditors of the Company and to fix their remuneration to fill casual vacancy
2. Re-appointment of Mr. Gautam Pravinchandra Sheth (DIN: 06748854) as Managing Director of the company
3. Re-appointment of Ms. Nidhi Gautam Sheth (DIN: 06748877) as Whole Time Director of the company
4. Re-appointment of Mr. Prakash Nanalal Mehta (DIN: 07919440) as an Independent Director of the Company
5. Re-appointment of Mr. Pravin Manilal Parekh (DIN: 07919428) as an Independent Director of the Company
6. Re-appointment of Mr. Harshit Hasmukhbhai Vadecha (DIN: 08463595) as an Independent Director of the Company C

### Postal Ballot:

During the financial year 2024–25, the Company conducted postal ballot(s)

#### 1. Ordinary Resolution(s) passed through postal ballot vide notice dated January 13, 2025:

The voting period for remote e-voting commenced on Tuesday, January 14, 2025 at 9:00 A.M. (IST) and will end on Thursday, February 13, 2025, (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving the ordinary resolution(s) was provided by the Scrutiniser on Monday, February 17, 2025. The resolution(s) were passed with requisite majority.

In respect of above Postal Ballots conducted by the Company during FY2024-25, the Board of Directors had appointed Neelam Rathi (Membership No. FCS 10993, COP No. 12454) of M/s. Neelam Somani & Associates, Practising Company Secretaries, as the Scrutiniser to scrutinise the postal ballot process in a fair and transparent manner.

### Procedure for Postal Ballot:

All the Postal Ballots were conducted by the Company as per the provisions of Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), read with Rule(s) 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, each as amended, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs for conducting postal ballot process through e-Voting vide General Circular No(s). 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 read with other relevant circulars, the latest being General Circular No. 09/2024 dated September 19, 2024 issued by the Ministry of Corporate Affairs.

#### **Details of special resolution proposed to be conducted through postal ballot:**

There is no immediate proposal for passing any resolution through postal ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting, scheduled to be held on September 27, 2025 ('AGM'), requires passing of a Special Resolution through Postal Ballot.

### **Means of Communication**

#### **a) Quarterly, Half-Yearly, and Annual Results:**

The Company announces its unaudited quarterly and half-yearly financial results within forty-five (45) days of the close of the respective period, and the audited annual results within sixty (60) days from the end of the financial year, in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly results are not individually sent to shareholders but are published in newspapers and made available on the Company's website. The results are submitted electronically to BSE Limited ("BSE"), where the equity shares of the Company are listed, through the BSE Listing Centre portal. Additionally, the results are also hosted on the Company's website at <https://www.gautamgems.com/Financial-Results.php>

#### **b) Newspapers in Which Results Are Normally Published:**

The financial results and other statutory notices are generally published in the following newspapers:

- *Business Standard* (English edition)
- *Gujarat Guardian* (Gujarati edition)

#### **c) Website Where Disclosures Are Displayed:**

All disclosures such as financial results, shareholding patterns, corporate announcements, press releases and other material developments concerning the Company are regularly updated and available on the Company's website under investor segment at [www.gautamgems.com](http://www.gautamgems.com)

**d) Official News Releases:**

During the year under review, there were no specific news releases other than financial publications and shareholder-related communications. These, however, were uploaded on the Company's website at [www.gautamgems.com](http://www.gautamgems.com) and submitted to BSE as required.

**e) Presentations Made to Institutional Investors or Analysts:**

During the year, no investor or analyst presentations, press releases, or briefings were conducted. All material information, statutory disclosures, and periodic filings were submitted electronically to BSE, where the Company's equity shares are listed, and made available on the Company's website.

**General shareholder information:****(a) Annual General Meeting**

The 12th Annual General Meeting (AGM) of the Company is scheduled to be held on 27<sup>th</sup> September, 2025, at 3:00 p.m. through Video Conferencing (VC) / Other Audio-Visual Means (OAVM). For the purpose of compliance and record-keeping, the deemed venue of the AGM shall be the Registered Office of the Company at: 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat - 395004, Gujarat.

**(b) Financial Year**

The Annual Report pertains to the financial year April 1, 2024 to March 31, 2025.

**(c) Dividend Payment Date**

During the financial year under review, the Board of Directors has not recommended any dividend on equity shares in order to conserve resources for future business expansion. Accordingly, this clause is not applicable.

**(d) Listing of Equity Shares and Payment of Listing Fees**

The Equity Shares of the Company are listed on:

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001.

The Company has duly paid the Annual Listing Fees for the financial year 2024–25 to the stock exchange.

**(e) Suspension from Trading**

During the year under review, there was no instance of suspension of the Company's securities from trading on the stock exchange. Hence, no disclosure is required under this clause.

**(f) Registrar and Share Transfer Agent (RTA)****KFin Technologies Limited**

**Corp. Office:** Selenium Tower B,  
Plot 31-32, Gachibowli, Financial District,  
Nanakramguda, Serilingampally, Hyderabad – 500032.

**Tel:** +91-40-67161526/ **Fax:** +91-40-23001153

**Email:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) / **Website:** [www.kfintech.com](http://www.kfintech.com)

KFin Technologies has the necessary infrastructure and connectivity with both NSDL and CDSL to ensure efficient service to investors. Shareholders are advised to contact the RTA directly for share transfers, transmission, change of address, queries related to dividends and other share-related matters.

**(g) Share Transfer System**

Pursuant to Regulation 40(1) of SEBI (LODR) Regulations and SEBI circular dated January 25, 2022, transfers of shares in physical form are not permitted unless securities are held in dematerialised form. Service requests such as duplicate certificates, transmission, consolidation, and split are also processed in demat form only.

Upon successful verification, the RTA issues a Letter of Confirmation (LOC) in lieu of physical certificates, valid for 120 days, within which the securities holder must dematerialize the securities. A qualified Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, confirming the tally of total issued and listed capital with depositories and physical shares. The report is submitted to BSE.

**(h) Distribution of shareholding**

Distribution of Shareholding on the basis of Range of Shares as on March 31, 2025 is as under:

Sr	Range (No. of Shares)	No. of Cases	% of Cases	Amount (₹)	% of Amount
1	1 – 5000	18,221	76.86%	19,289,390	4.18%
2	5001 – 10000	2,277	9.61%	19,119,370	4.15%
3	10001 – 20000	1,356	5.72%	20,668,450	4.48%
4	20001 – 30000	507	2.14%	13,078,410	2.84%
5	30001 – 40000	267	1.13%	9,560,620	2.07%

6	40001 – 50000	257	1.08%	12,241,230	2.65%
7	50001 – 100000	434	1.83%	31,867,110	6.91%
8	100001 and above	387	1.63%	335,254,420	72.71%
	<b>Total</b>	<b>23,706</b>	<b>100.00%</b>	<b>461,079,000</b>	<b>100.00%</b>

#### Shareholding Pattern Category wise as on March 31, 2025

Category	No. of Shares	% Shareholding
Promoters and Promoter Group	10,357,167	22.46%
Resident Individuals	27,210,796	59.02%
Non-Resident Indians	184,792	0.40%
Bodies Corporate	7,966,893	17.28%
Clearing Members	991	0.00%
HUF	387,261	0.84%
<b>Total</b>	<b>46,107,900</b>	<b>100.00%</b>

#### (j) Dematerialization of Shares and Liquidity

The Company's equity shares are compulsorily traded in dematerialised form. The dematerialization facility is available from both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2025, approximately 100% of the share capital is in dematerialised form.

Mode	No. of Shareholders	No. of Shares	% of Equity
NSDL	3,427	15,399,388	33.40%
CDSL	20,551	30,708,462	66.60%
Physical	50	50	0.0001%
<b>Total</b>	<b>24,028</b>	<b>46,107,900</b>	<b>100%</b>

#### (k) Outstanding GDRs/ADRs/Warrants/Convertible Instruments

As on March 31, 2025, the Company has no outstanding Global Depository Receipts (GDRs), American Depository Receipts (ADRs), or convertible instruments which may impact the equity.

#### (l) Commodity Price Risk / Foreign Exchange Risk and Hedging Activities

The Company does not engage in commodity trading and therefore, disclosure pursuant to SEBI Master Circular dated July 11, 2023, is not applicable.



The Company also has no significant foreign exchange exposure and does not undertake any hedging activities during the financial year under review.

### (m) Plant Locations

The Company conducts its business operations solely from its Registered Office situated at 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat - 395004, Gujarat.

There are no other offices or plants as of the reporting date.

### (n) Address for Correspondence

Particulars	Details
<b>Registrar &amp; Share Transfer Agent</b>	KFin Technologies Limited, <b>Address:</b> Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032. <b>Tel:</b> +91-40-67161526 <b>Email:</b> einward.ris@kfintech.com <b>Website:</b> www.kfintech.com
<b>Company</b>	Ms. Krina Thakkar, Company Secretary & Compliance Officer <b>Registered Office:</b> 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat – 395004, Gujarat. <b>CIN:</b> L36911GJ2014PLC078802 <b>Email:</b> complianceggl@gmail.com <b>Phone:</b> 0261-2538046 <b>Website:</b> www.gautamgems.com

### (o) Credit Ratings

During the financial year under review, the Company has not obtained any credit ratings for any debt instruments, fixed deposit programmes or any fund mobilisation scheme. Hence, this clause is not applicable.

## Other Disclosures

### (a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

All transactions entered into with related parties, as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), during the financial year were in the ordinary course of business and on an arm’s length basis. Accordingly, these transactions do not attract the provisions of Section 188 of the Companies Act, 2013.

There were no materially significant related party transactions during the year that could have conflicted with the interest of the Company at large. Suitable disclosures as required under Indian Accounting Standard (Ind AS 24) have been made in the notes to the standalone financial statements.

In terms of Regulation 26(5) of the SEBI Listing Regulations, senior management personnel have submitted disclosures to the Board regarding any material financial and commercial transactions where they may have had personal interests that could potentially conflict with the interest of the Company. Based on such disclosures received, it is confirmed that none of the senior management personnel had any personal interest in transactions having potential conflict with the interests of the Company.

During the year under review, the Company has received loans from a Director and paid remuneration to Directors, details of which are provided in the Notes to Financial Statements and in Form AOC-2 forming part of this Annual Report.

The Company's Policy on Related Party Transactions is available on its website and can be accessed at <https://gautamgems.com/cpo.php>

**(b) Details of non-compliance by the listed entity, penalties, strictures imposed by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years:**

There has been no instance of non-compliance, nor have any penalties or strictures been imposed by stock exchanges, SEBI, or any statutory authority, except as disclosed in the Secretarial Audit Report included in the Annual Report for the respective years.

**(c) Details of establishment of vigil mechanism/Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee:**

The Company has adopted a Whistle Blower Policy and Vigil Mechanism, in compliance with Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, as well as the SEBI (Prohibition of Insider Trading) Regulations, 2015. This mechanism provides a channel for employees and stakeholders to report genuine concerns, unethical behavior or actual/suspected frauds.

The mechanism provides for direct access to the Chairman of the Audit Committee, and adequate safeguards are provided to protect whistleblowers from victimization. It is confirmed that no employee or other stakeholder was denied access to the Audit Committee during the year under review.

The Whistle Blower Policy is available on the Company's website at <https://gautamgems.com/cpo.php>

**(d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements:**

The Company has complied with all mandatory requirements under the SEBI Listing Regulations. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI Listing Regulations are as under:

- **The Board:**

The Company has Non-Executive Chairman and hence, the need for implementing the non-mandatory requirement i.e., maintaining a chairperson's office at the Company's expense and allowing reimbursement of expenses incurred in performance of his duties, does not arise.

- **Shareholders' Rights:**

The Company ensures that the disclosure of all the information is disseminated on a non-discretionary basis to all the Shareholders. The quarterly results along other information are uploaded on the website of the Company <https://www.gautamgems.com/>. The same are also available on the site of stock exchange i.e. BSE where the shares of the Company are listed.

- **Audit Qualification:**

There are no audit qualifications in the financial statements.

- **Reporting of Internal Auditor:**

The Internal Auditor is a permanent invitee to the Audit Committee meetings and presents audit findings regularly.

- **Separate roles of Chairperson and CEO:**

The Chairperson, Mr. Umeshbhai Rasiklal Gor and the Managing Director, Mr. Gautam Pravinchandra Sheth, are two separate individuals and not related. Both these positions have distinct and well-articulated roles and responsibilities. They are not related to each other.

- **Independent Directors' Meeting:**

The Company does not fall under the top 2000 listed entities by market capitalization as per SEBI norms; hence, it is not mandatorily required to hold two separate meetings of Independent Directors during the year. However, in compliance with applicable regulations, one meeting of Independent Directors was duly held during the financial year.

- **Risk Management Committee:**

The Company does not fall under the top 1000-2000 listed companies (by market cap) and is not currently required to constitute a Risk Management Committee. The same will be complied by the company when applicable.

**(e) Web link for policy on determining 'material' subsidiaries:**

The Company does not have any material subsidiary as per SEBI Listing Regulations. The Policy for determining 'Material Subsidiaries' is available at <https://www.gautamgems.com/cpo.php>

**(f) Web link for policy on dealing with Related Party Transactions:**

The Company has adopted a Policy on Related Party Transactions, which is available on its website <https://www.gautamgems.com/cpo.php>

**(g) Disclosure of commodity price risks and commodity hedging activities:**

The Company does not deal in commodities, hence disclosure under SEBI Master Circular dated July 11, 2023, is not applicable.

Further, the Company does not undertake any foreign exchange hedging activities, as it does not have any significant foreign currency exposure.

**(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement (QIP) as per Regulation 32(7A):**

During the financial year under review, the Company has not raised any funds through preferential allotment or QIP. Hence, this clause is not applicable.

**(i) Certificate from a Company Secretary in practice regarding disqualification of directors:**

All directors have submitted declarations in Form DIR-8 under Section 164(2) of the Companies Act, 2013, confirming that they are not disqualified from being appointed or continuing as directors.

A certificate from a Company Secretary in practice to this effect is annexed to the Corporate Governance Report.

**(j) Disclosure regarding non-acceptance of any recommendation of any mandatory committee by the Board:**

During the year under review, the Board accepted all recommendations of its Committees which were mandatorily required. Hence, there is nothing to report under this clause.

**(k) Total fees paid to statutory auditors and network firms:**

During the financial year, Statutory audit fees were paid to the Statutory Auditors only. The Company has not availed any services from the network firm/network entity of which the Statutory Auditor is a part. The details are provided in the Notes to Financial Statements.

**(l) Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Particulars	Status
Number of complaints filed during the financial year 2024–25	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending at the end of the financial year	Nil

**(m) Disclosure of loans and advances in the nature of loans to firms/companies in which directors are interested:**

During the financial year under review, the Company has not extended any loans or advances in the nature of loans to firms or companies in which any Director is interested, as defined under the Companies Act, 2013 and applicable provisions of the SEBI Listing Regulations.

**(n) Details of material subsidiaries of the listed entity:**

As on March 31, 2025, the Company does not have any material subsidiary.

However, during the financial year, the Board approved an Overseas Direct Investment (ODI) in AG Corporation Ltd, a company registered in the United Kingdom, with the intention of making it a Wholly Owned Subsidiary (WOS) of the Company. The remittance of the subscription amount (GBP 1,00,000) towards share capital is currently pending. Accordingly, AG Corporation Ltd is not yet recognized as a WOS under applicable Indian regulatory and accounting standards. The Company shall ensure compliance with the Companies Act, 2013, SEBI Listing Regulations, FEMA guidelines, and other applicable laws upon completion of the capital infusion.



**(11) Non-compliance of any requirement of Corporate Governance Report under sub-  
paras (2) to (10) above, along with reasons:**

The Company has complied with all the applicable requirements of sub-*paras* (2) to (10) of the Corporate Governance Report as specified in Schedule V of the SEBI Listing Regulations. There were no instances of non-compliance during the financial year under review. Hence, this clause is not applicable.

**(12) Disclosure regarding adoption of discretionary requirements as specified in Part E of  
Schedule II:**

The Company has adopted certain discretionary requirements as specified in Part E of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The extent of such adoption is detailed under point (d) of this Corporate Governance Report titled *"Details of compliance with mandatory requirements and adoption of non-mandatory requirements."*

**(13) Disclosure of compliance with Corporate Governance requirements under SEBI Listing  
Regulations:**

The Company has complied with all the mandatory requirements of Corporate Governance as prescribed under Regulations 17 to 27, and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46, as well as Paras C to F of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Further, the Company has adopted the discretionary requirements as specified in Part E of Schedule II to the extent and in the manner detailed under the relevant sections of this Report on Corporate Governance.

**Disclosures with respect to Demat Suspense Account / Unclaimed Suspense Account**

In accordance with the requirements of Schedule V, Clause F of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details in respect of shares lying in the Demat Suspense Account / Unclaimed Suspense Account as on March 31, 2025, are as under:

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and outstanding shares lying in the suspense account at the beginning of the year	Nil	Nil
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Nil	Nil

Number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
Aggregate number of shareholders and outstanding shares lying in the suspense account at the end of the year	Nil	Nil

**Note:** The voting rights on the shares lying in the Demat Suspense Account / Unclaimed Suspense Account shall remain frozen until the rightful owners of such shares claim the same.

### **Disclosure of Certain Types of Agreements Binding the Listed Entity (Clause 5A of Schedule III, Part A, Paragraph A)**

There are no agreements, as contemplated under Clause 5A of Paragraph A, Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that are binding on or affecting the Company's management or control.

### **Declaration Regarding Compliance with the Code of Conduct**

As required under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a declaration signed by the Managing Director of the Company affirming that all members of the Board of Directors and Senior Management Personnel have complied with the Code of Conduct of the Company during the financial year ended March 31, 2025, is attached herewith and forms part of this Annual Report.

### **Compliance Certificate on Corporate Governance**

In accordance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from a Practicing Company Secretary confirming compliance with the conditions of Corporate Governance is annexed to this report.

### **Certificate from Chief Financial Officer (CFO)**

As required under Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from the Chief Financial Officer (CFO) of the Company confirming the accuracy of the financial statements, adequacy of internal controls, and compliance with applicable laws, is attached herewith and forms an integral part of this Annual Report.

### **GREEN INITIATIVE IN CORPORATE GOVERNANCE**

Your Company remains committed to environmental sustainability and responsible corporate citizenship. As part of this commitment and in alignment with the "Green Initiative" launched by the Ministry of Corporate Affairs (MCA) and SEBI guidelines, the Company continues to send the Annual Report and other shareholder communications in electronic form to those

shareholders whose e-mail addresses are registered with their Depository Participants (DPs) or the Company's Registrar and Share Transfer Agent (RTA).

In line with various circulars issued by the MCA, companies are permitted to convene their Annual General Meetings (AGMs) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM). To facilitate effective participation in the e-AGM and ensure timely receipt of communications, shareholders are requested to register or update their e-mail addresses with their DPs (in case of electronic holdings) or with the RTA (in case of physical holdings).

We urge all shareholders to support this eco-friendly initiative by ensuring their e-mail addresses are up to date, thereby enabling seamless communication and contributing to environmental conservation.

We sincerely appreciate your continued support in embracing this "Green Initiative" and look forward to your active participation in the Company's efforts towards sustainable governance.

**Place: Surat**  
**Date: 04/09/2025**

**For and on behalf of the Board of Directors**  
**Gautam Gems Limited**

**Sd/-**  
**Gautam P. Sheth**  
**Managing Director**

**Sd/-**  
**Nidhi G. Sheth**  
**Whole-time Director**

## Declaration Regarding Compliance with the Code of Conduct

To the Members,  
**Gautam Gems Limited**  
301, Sumukh, 3rd Floor,  
Vasta Devadi Road,  
Super Compound, Surat,  
Gujarat, 395004

In accordance with the provisions of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the members of the Board of Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the Board of Directors and Senior Management for the financial year ended March 31, 2025.

**Place: Surat**  
**Date: 04/09/2025**

**For Gautam Gems Limited**

**Sd/-**  
**Gautam P. Sheth**  
**Managing Director**

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) & CHIEF  
FINANCIAL OFFICER (CFO)**

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

To  
The Board of Directors  
**Gautam Gems Limited**  
301, Sumukh, 3rd Floor,  
Vasta Devadi Road,  
Super Compound, Surat,  
Gujarat, 395004

We, Gautam Sheth, Managing Director and Dishant Jagad, Chief Financial Officer of Gautam Gems Limited, hereby certify that:

- A.** We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2025, and to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. These statements together present a true and fair view of the Company's affairs and are in compliance with the applicable accounting standards, laws, and regulations.
- B.** There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, or violative of the Company's Code of Conduct.
- C.** We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee the deficiencies in the design or operation of such internal controls, if any, of which we are aware, and the steps we have taken or propose to take to rectify these deficiencies.
- D.** We have indicated to the auditors and the Audit Committee that:
1. There were no significant changes in internal control over financial reporting during the year;
  2. There were no significant changes in accounting policies during the year and the same have been appropriately disclosed in the notes to the financial statements; and
  3. There were no instances of significant fraud of which we have become aware, nor any involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Place:** Surat  
**Date:** 04/09/2025

**For and on behalf of the Board of Directors  
Gautam Gems Limited**

Sd/-  
Gautam P. Sheth  
Managing Director

Sd/-  
Dishant D. Jagad  
Chief Financial Officer



**CS**  
**Neelam Somani & Associates**  
**COMPANY SECRETARIES**

**Address:** C-1001, Sarovar landmark, Gordhanvadi Cross Road, Kankaria, Ahmedabad-380022, Gujarat.  
**Contact:** +91-8638402502 **Email:** neelamsomani90@gmail.com

**ANNEXURE III**  
**PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE**

TO THE MEMBERS OF GAUTAM GEMS LIMITED

We have examined the compliance of Corporate Governance by Gautam Gems Limited ("the Company") for the year ended on March 31, 2025, as stipulated in Regulation 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of the Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures 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 opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representation made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year ended March 31, 2025.

We state that such compliance 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.

**NEELAM** Digitally signed  
 by NEELAM RATHI  
**RATHI** Date: 2025.09.04  
 19:01:54 +05'30'

**NEELAM RATHI**  
**Company Secretaries**  
**Peer Review Cert No.: 5612/2024**  
**FCS: 10993 | COP No.: 12454**  
**ICSI UDIN: F010993G001170668**  
**4<sup>th</sup> September, 2025 | Ahmedabad**

**CS**  
**Neelam Somani & Associates**  
**COMPANY SECRETARIES**

**Address:** C-1001, Sarovar landmark, Gordhanvadi Cross Road, Kankaria, Ahmedabad-380022, Gujarat.  
**Contact:** +91-8638402502 **Email:** neelamsomani90@gmail.com

**ANNEXURE IV**

**PRACTISING COMPANY SECRETARIES' CERTIFICATE ON DIRECTOR'S  
NON-DISQUALIFICATION**

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON DIRECTOR'S NON-DISQUALIFICATION  
TO THE MEMBERS OF GAUTAM GEMS LIMITED

This certificate is issued pursuant to clause 10(i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide circular dated May 9, 2018 of the Securities Exchange Board of India.

I have examined the compliance of provisions of the aforesaid clause 10(i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the best of my information and according to the explanations given to me by the Company, and the declarations made by the Directors, I certify that none of the directors of Gautam Gems Limited ("the Company") CIN: L36911GJ2014PLC078802 having its registered office at Office-301, Sumukh, 3<sup>rd</sup> Floor, Vasta Devadi Road, Super Compound, Surat-395004 have been debarred or disqualified as on March 31, 2025 from being appointed or continuing as directors of the Company by SEBI/ Ministry of Corporate Affairs or any other statutory authority.

**NEELAM** Digitally signed by  
**RATHI** NEELAM RATHI#  
 Date: 2025.09.04  
 19:02:22 +05'30'

**NEELAM RATHI**  
**Company Secretaries**  
**Peer Review Cert No.: 5612/2024**  
**FCS: 10993 | COP No.: 12454**  
**ICSI UDIN: F010993G001170668**  
**4<sup>th</sup> September, 2025 | Ahmedabad**



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GAUTAM GEMS LIMITED

### Report on the Financial Statements

#### Opinion

We have audited the accompanying financial statements **Gautam Gems Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2025**, and the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 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 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

#### Information other than the financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the Financial Statements and our Auditor's Report thereon. Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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.

#### Responsibility of Management for the 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 Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 the 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GAUTAM GEMS LIMITED

In preparing the Financial Statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 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.
- Conclude on the appropriateness of management'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 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 Financial Statements, including the disclosures, and whether the 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.

### 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 Section 143(11) of the Act, we give in the "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order.
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;



### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GAUTAM GEMS LIMITED

- (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;
- (c) The Balance Sheet, the Statement of Profit and Loss including the statement of other comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the Directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and according to the information and explanation given to us by the management, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which have impact on its financial position in its financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. With respect to Investments:
    - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, 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 (a) and (b) above, contain any material misstatement.
  - v. The Company has not declared or paid dividend during the year.



## AKGVG & ASSOCIATES

CHARTERED ACCOUNTANTS

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GAUTAM GEMS LIMITED

- vi. Based on our examination, which included test checks, the Company has used Tally based accounting software system for maintaining its books of account for the year ended March 31, 2025 which is subject to the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems.

For AKGVG & Associates  
Chartered Accountants  
ICAI Firm Registration No.: 018598N  
UDIN: 25118627BMKTD8145



*Priyank Shah*

**Priyank Shah**  
Partner  
Membership No.: 118627

**Place:** Ahmedabad  
**Date:** May 26, 2025

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GAUTAM GEMS LIMITED

**Annexure 1 referred to in Paragraph 1 on Report on Other Legal and Regulatory Requirements of Our Report of even date of Gautam Gems Limited for the year ended March 31, 2025**

- (i) With respect to Property, Plant and Equipment:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - (B) The Company has maintained proper records showing full particulars of intangibles assets as disclosed in the books of accounts.
  - (b) Property, plant and equipment have been physically verified by the management during the year in accordance with a planned programme of verifying them over the period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were identified on such verification.
  - (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed registered sale deed / transfer deed / conveyance deed provided to us, we report that, 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) disclosed in note to the financial statements under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.
  - (e) There are no proceedings initiated or are pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) In respect of Inventories:
  - (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
  - (b) The Company has not been sanctioned any working capital limits in excess of Rs. 5 crores, from banks on the basis of security of current assets and other properties of the Company. Thus requirement of Clause (3) (ii)(b) of the Order does not apply to the Company.
- (iii) During the year, the Company has not provided any loans and advances in the nature of loans, and not provided security, guarantee to any other entities. Hence reporting under 3(iii) of Paragraph 3 the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not provided loans, advances, investments, guarantees and securities to directors including entities in which they are interested, therefore reporting under 3(iv) of Paragraph 3 the Order is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act. Therefore, the provision of Clause (v) of paragraph 3 of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and according to explanation given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for the service of the Company. Accordingly, the provision of Clause (vi) of paragraph 3 of the Order is not applicable to the Company.
- (vii) According to the information and explanation given to us, in respect of statutory dues:
  - (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including, Provident fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Professional Tax, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding at the March 31, 2025 for a period of more than six months from the date of becoming payable.

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GAUTAM GEMS LIMITED

- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, goods and service tax, duty of customs, and any other tax which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised any term loans or on the pledge of securities held in its subsidiaries. The Company has raised working capital loans and car loans from Banks, funds raised on short-term basis have not been used during the year for long-term purposes by the Company and the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (x) According to the information and explanation given to us, in respect of Public Offer:
- The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
  - The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) According to the information and explanation given to us, in respect of Fraud:
- No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
  - During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - No whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi company and hence reporting under 3(xii)(a) (b) and (c) of 3 the Order is not applicable to the Company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013, where applicable, and the details have been disclosed in notes to the financial statements, as required by the applicable accounting standards.
- (xiv) As per section 148 of Companies Act, 2013 the company requires to have an internal audit system commensurate with the size and nature of its business. In our opinion, the Company have an Internal Audit System, however we have not provided with any Internal Audit Reports during the FY 2024-25.
- (xv) The Company has not entered into any non-cash transactions with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.





# AKGVG & ASSOCIATES

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GAUTAM GEMS LIMITED

- (xvi) According to the information and explanation given to us, in respect of Investment:
- The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
  - The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
  - The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
  - There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year due to Casual Vacancy.
- (xix) On the basis of the financial ratios disclosed in the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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 explanation provided to us, the Company does not fulfil the criteria as specified in Section 135 of the Companies Act, 2013.

For AKGVG & Associates  
Chartered Accountants  
ICAI Firm Registration No.: 018598N  
UDIN: 25118627BMKTDA8145

*Priyank Shah*

**Priyank Shah**  
Partner  
Membership No.: 118627



Place: Ahmedabad  
Date: May 26, 2025





# AKGVG & ASSOCIATES

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GAUTAM GEMS LIMITED

Annexure 2 referred to in Paragraph 2(f) on Report on Other Legal and Regulatory Requirements of Our Report of even date of Gautam Gems Limited for the year ended March 31, 2025

### Report on the Internal Financial Controls under Section 143(3)(i) of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Gautam Gems Limited** ('the Company') as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 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 Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. The Guidance Note and those Standards 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 these 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 these financial statements and their operative effectiveness. Our audit of internal financial controls with reference to these financial statements, included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion on the internal financial control system over financial reporting with reference to these financial statements.



# AKGVG & ASSOCIATES

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GAUTAM GEMS LIMITED

### Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial controls with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to these financial statements includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to these financial statements

Because of the inherent limitations of internal financial controls with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not to be detected. Also, projections of any evaluation of the internal financial controls with reference to these financial statements to future periods are subject to the risk that the internal financial controls with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanation given by the management, the Company has, in all material respects, an adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2025, based on the internal controls with reference to these financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on issued by the ICAI.




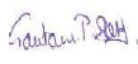
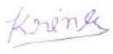
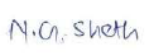

For AKGVG & Associates  
Chartered Accountants  
ICAI Firm Registration No.: 018598N  
UDIN: 25118627BMKTDA8145

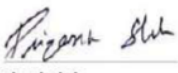


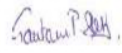
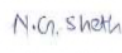
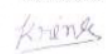

*Priyank Shah*

**Priyank Shah**  
Partner  
Membership No.: 118627

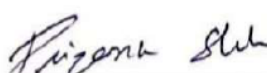


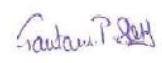
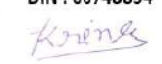
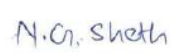
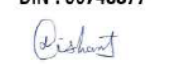


Place: Ahmedabad  
Date: May 26, 2025

Gautam Gems Limited			
Statement of Assets & Liabilities as at 31.03.2025			
Particulars	Note No.	Amt in Lakhs	
		2025	2024
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
Property, Plant And Equipment	1	198.03	201.08
<b>Total Non Current Assets</b>		<b>198.03</b>	<b>201.08</b>
<b>(2) Current Assets</b>			
Inventories		4324.00	4527.61
<b>Current Financial Assets</b>			
(a) Current investments			
(b) Trade receivables	2	2414.86	2483.09
(c) Cash and cash equivalents	3	14.52	8.11
(d) Bank Balance other than Cash and cash equivalents			
(e) Loans, Current		77.91	74.50
(f) Other Current Financial Assets			
<b>Total Current Financial Assets</b>		<b>2507.30</b>	<b>2565.70</b>
Current Tax Assets (net)			
Other Current Assets	4	80.01	90.84
<b>Total Current Assets</b>		<b>6911.31</b>	<b>7184.14</b>
<b>Total Assets</b>		<b>7109.34</b>	<b>7385.22</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
Equity Share Capital	5	4284.61	4284.61
Other Equity	6	842.83	817.93
<b>Total Equity</b>		<b>5127.43</b>	<b>5102.54</b>
<b>(2) Liabilities</b>			
<b>Non-Current Liabilities</b>			
Deferred tax liabilities (net)		20.39	15.48
<b>Total Non-Current Liabilities</b>		<b>20.39</b>	<b>15.48</b>
<b>Current Liabilities</b>			
<b>Current Financial Liabilities</b>			
(a) Borrowings, current	7	640.26	428.52
Total Outstanding dues of creditors other than Micro and Small Enterprises	8	1288.60	1819.81
<b>Total Current Financial Liabilities</b>		<b>1928.86</b>	<b>2248.33</b>
Provision, current	9	32.66	18.88
<b>Total Current Liabilities</b>		<b>1961.52</b>	<b>2267.21</b>
<b>Total Liabilities</b>		<b>1981.91</b>	<b>2282.69</b>
<b>Total Equity and Liabilities</b>		<b>7109.34</b>	<b>7385.22</b>
<b>NOTES TO ACCOUNTS</b>	17		
Notes attached there to form an integral part of Statement of Assets & Liabilities			
As per Report of Even Date			
FOR , AKGVG & ASSOCIATES..		For, Gautam Gems Limited	
CHARTERED ACCOUNTANTS			
FRN No.018598N			
 Priyank Shah (Partner) Mem. No. : 118627 UDIN :25118627BMKTD8145			
		 Gautam P. Sheth (Managing Director) DIN : 06748854	
 Krina Thakkar (Company Secretary)		 Nidhi G. Sheth (Whole Time Director) DIN : 06748877	
 Dishant D. Jagad (CFO)			
Place : Ahmedabad			
Date : 26/05/2025			

Gautam Gems Limited				
Statement of Profit & Loss for the Period Ended on 31.03.2025				
Amt in Lakhs				
Sr. No.	Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
<b>Income</b>				
I	Revenue from operations	10	7834.01	10134.08
II	Other Income	11	16.49	24.44
III	<b>Total income (I + II)</b>		<b>7850.50</b>	<b>10158.52</b>
<b>Expenses</b>				
IV	Cost of materials consumed	12	7473.95	12482.99
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	13	203.61	-2547.19
	Employee Benefit Expense	14	65.58	91.10
	Financial Costs	15	33.32	34.77
	Depreciation and Amortization Expense	16	6.69	9.51
	Other Expenses	17	25.02	35.08
	<b>Total Expenses (IV)</b>		<b>7808.17</b>	<b>10106.26</b>
VII	<b>Profit before tax (V - VI)</b>		<b>42.34</b>	<b>52.26</b>
<b>Tax expense:</b>				
VIII	(1) Current tax		9.00	9.00
	(2) Deferred tax		4.91	5.00
XIII	<b>Profit/(Loss) for the period (IX + XII)</b>		<b>28.43</b>	<b>38.26</b>
XIV	Other Comprehensive Income net of tax		-	-
XV	<b>Total Comprehensive Income for the year</b>		<b>28.43</b>	<b>38.26</b>
<b>Details of equity share capital</b>				
XVI	Paid up equity share capital		4284.61	4284.61
	Face value of equity share capital		10/-	10/-
<b>Earning per share:</b>				
<b>Earning per equity share for continuing operations</b>				
	(1) Basic earnings (loss) per share from continuing operations		0.06	0.08
	(2) Diluted earnings (loss) per share from continuing operations		0.06	0.08
<b>Earning per equity share for discontinued operations</b>				
	(1) Basic earnings (loss) per share from discontinued operations		-	-
	(2) Diluted earnings (loss) per share from discontinued operations		-	-
<b>Earning per equity share:</b>				
	(1) Basic earnings (loss) per share from continuing and discontinued operations		0.06	0.08
	(2) Diluted earnings (loss) per share from continuing and discontinued operations		0.06	0.08
<b>NOTES TO ACCOUNTS</b>				
	Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement	17		
	As per Report Of Even Date			
FOR, ANGVG & ASSOCIATES..			For, Gautam Gems Limited	
CHARTERED ACCOUNTANTS				
FRN No.018598N				
 Priyank Shah (Partner) Mem. No. : 118627 UDIN : 25118627BMKTD8145				
Place: Ahmedabad Date : 26/05/2025				
			 Gautam P. Sheth (Managing Director) DIN : 06748854	
			 N. G. Sheth (Whole Time Director) DIN : 06748877	
			 Krina Thakkar (Company Secretary)	
			 Dishant D. Jagad (CFO)	



Gautam Gems Limited		
Cash Flow Statement For The Year Ended 31.03.2025		
PARTICULARS	AS AT 31.03.2025	AS AT 31.03.2024
<b>A. Cash Flow from Operating Activity</b>		
Profit before Taxation	42.34	52.26
Add : Non Cash & Non Operating Expenses		
Depreciation Expense	6.69	9.51
Finance Cost	33.32	34.77
Other Income	(16.49)	(24.44)
Operating Profit before Working Capital Changes	65.86	72.10
Adjustment for;		
(Increase) / Decrease in Inventory	203.61	(2547.19)
(Increase) / Decrease in Debtors	68.23	61.50
(Increase) / Decrease in Loans & Advances	(3.42)	(3.32)
(Increase) / Decrease in Current Assets	10.83	(0.14)
(Increase) / Decrease in Short Term Borrowings	211.74	(193.66)
Increase / (Decrease) in Current Liabilities	4.91	5.00
Increase / (Decrease) in Trade Payables	(531.21)	33.99
Increase / (Decrease) in Provisions	13.78	(15.57)
Cash Generated from Operation	44.33	(2587.29)
Taxes Paid	13.91	14.00
<b>Net Cash Flow from Operating Activities</b>	<b>30.42</b>	<b>(2601.29)</b>
<b>B. Cash Flow from Investing Activity</b>		
(Increase) / Decrease in Fixed Assets (net)	(3.64)	(6.86)
(Increase) / Decrease in Investments & Accrued Interest Thereon		-
Finance Cost	(33.32)	(34.77)
Other Income	16.49	24.44
<b>Net Cash Flow from Investing Activities</b>	<b>(20.48)</b>	<b>(17.19)</b>
<b>C. Cash Flow from Financing Activity</b>		
Proceeds from Issue of Shares	-	2376.88
Proceeds from Securities Premium	-	237.69
Adjustments in Reserves and Surplus	(3.53)	(2.86)
<b>Net Cash Flow from Financing Activities</b>	<b>(3.53)</b>	<b>2611.71</b>
Net Increase / (Decrease) in Cash & Cash Equivalents	6.41	(6.78)
Opening Balance of Cash & Cash Equivalents	8.11	14.88
Closing Balance of Cash & Cash Equivalents	14.52	8.11
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>6.41</b>	<b>(6.77)</b>
<div> <div> <b>FOR , AKGVG &amp; ASSOCIATES..</b>  Chartered Accountants  FRN No.018598N    <b>Priyank Shah</b>  (Partner)  Mem. No. : 118627  UDIN :25118627BMKTDA8145  Place : Ahmedabad  Date : 26/05/2025 </div> <div>  </div> <div>  </div> <div>   <b>Gautam P. Sheth</b>  (Managing Director)  DIN : 06748854    <b>Krina Thakkar</b>  (Company Secretary) </div> <div>   <b>Nidhi G. Sheth</b>  (Director)  DIN : 06748877    <b>Dishant D. Jagad</b>  (CFO) </div> </div>		



## **SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF FINANCIAL STATEMENTS:**

### **1. CORPORATE INFORMATION:**

**GAUTAM GEMS LIMITED** (“the Company”) is domiciled and incorporated as a public limited Company in India under the provisions of the Companies Act 2013 with its equity shares listed on BSE. The Company is primarily involved in the business of Gold & Jewellery Ornaments.

The financial statements were authorized for issue in accordance with a resolution of the directors on 26th May 2024.

### **2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES:**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **2.1 Statement of Compliance:**

These financial statements have been prepared in accordance with Ind-AS as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 as amended from time to time.

#### **2.2 Basis of preparation**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments (including derivative instruments) which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial statements are presented in Indian rupees (INR) and all values are rounded to the nearest lacs, except otherwise indicated. All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

### 2.2.1 Current V/s 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:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be realized within twelve months after the reporting period, or
- iv) 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:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its Operating Cycle.

### 2.2.2 Fair Value Measurement-

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which

sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 1) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- 2) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- 3) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per The Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### **2.3 Accounting Estimates:**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions, that affect the reported balance of assets and liabilities, disclosure relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented. Actual results may differ from these estimates.

### **2.4 Revenue Recognition:**

Revenue is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Company is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. However, Goods and Services tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value

added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

### **Sale of goods**

Revenue from sales is recognized when the substantial risks and rewards of ownership of goods are transferred to the buyer and the collection of the resulting receivables is reasonably expected. This usually occurs upon dispatch, after the price has been determined and collection of the receivable is reasonably certain. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

### **Sale of Services**

The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and collectability is reasonably assured.

### **Interest income**

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

## **2.5 Property, Plant & Equipment's:**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The cost of property, plant and equipment comprises its purchase price 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, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.



An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Advances paid towards the acquisition of Property, Plant & Equipment outstanding at each reporting date is classified as Capital advances under Other Non –Current Assets and assets which are not ready for intended use as on the date of Balance sheet are disclosed as “Capital Work in Progress.”.

### **Depreciation/ Amortization-**

Depreciation on Property, Plant & Equipment is charged on Straight Line Method. Depreciations are charged over the estimated useful lives of the assets as specified in Schedule II of the Companies Act, 2013. Depreciation in respect of additions to/and deletion from assets has been charged on pro-rata basis from/till the date they are put to commercial use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at regular intervals and adjusted prospectively, if appropriate.

Depreciation on additions/deletions to Property plant and equipment during the year is provided for on a pro-rata basis with reference to the date of additions/deletions.

Depreciation on subsequent expenditure on Property plant and equipment arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life. Depreciation on refurbished/revamped Property plant and equipment which are capitalized separately is provide for over the reassessed useful life

The estimated useful lives of assets are as under:

Name of Asset	Useful life
Furniture & Fittings	10 Years
P&M	15 Years
Electric Installation & AC	10 Years
Motor Vehicles	10 Years

### **2.6 Impairment of Assets:**

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset’s recoverable amount.



An asset's recoverable amount is the higher of an assets or cash-generating units (CGU) fair value less costs of disposal and its value in use.

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. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## **2.7 Investments:**

Investments are in equity shares of unlisted companies being non-current in nature, are stated as per Ind AS-32,109 & 107 i.e. Financial Instruments.

## **2.8 Foreign Currency Transactions:**

Foreign currency transactions, if any, are recorded at the exchange rates prevailing on the date of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment or realization. Monetary items denominated in foreign currency as at the balance sheet date are converted at the exchange rates prevailing on that day. Exchange differences are recognized in the statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

## **2.9 Borrowing Cost:**

Borrowing cost, if any, directly attributable to qualifying assets, which take substantial period to get ready for its intended use, are capitalized to the extent they relate to the period until such assets are ready to be put to use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

## **2.10 Inventories:**

Stock and operating supplies are valued at lower cost and net realizable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition, Cost is determined on a first in first out basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

## **2.11 Employees' Benefits:**

### **Short-term Obligations**

Liabilities for wages and salaries, including 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 recognized 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.

**Post Employee Obligations** – The Company do not have any post-employment obligations.

### **Gratuity obligations**

The Company had an obligation towards gratuity – a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of an employment of an amount equivalent to 15 days salary payable for each completed years of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service and is payable thereafter on occurrence of any of above events.

As per information provided by the Company, there are no employees who have served more than 5 years.

### **Defined contribution plans**

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

## **2.12 Taxes on Income:**

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 charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially 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.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax 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.

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

### **2.13 Earnings Per Share (EPS):**

Basic earnings per share are computed by dividing the profit/ (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share.

### **2.14 Contingencies and Provisions:**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of obligation cannot be made. Contingent assets are not recognized in the financial statements.

**2.15 Statement of Cash Flow:**

Cash flows are reported using the indirect method, whereby profit/(loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

**2.16 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 Assets****Initial recognition and measurement**

All financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured 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.

**Subsequent measurement****Classification**

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

**Financial assets at amortized cost**

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income and impairment are recognized in the Statement of Profit and Loss.

**Financial assets at fair value through other comprehensive income (FVTOCI)**

These assets are subsequently measured at fair value through other comprehensive income (OCI). Changes in fair values are recognized in OCI and on derecognition, cumulative gain or loss previously recognized in OCI is reclassified to the Statement of Profit and Loss. Interest income calculated using EIR and impairment loss, if any, are recognized in the Statement of Profit and Loss.



**Financial assets at fair value through profit or loss (FVTPL)**

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognized in the Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition except if and in the period the Company changes its business model for managing for financial assets.

**De-recognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized. Any gain or loss on derecognition is recognized in the Statement of Profit and Loss.

**Impairment of financial assets**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, lease receivable, trade receivable other contractual rights to receive cash or other financial assets. For trade receivable, the Company measures the loss allowance at an amount equal to life time expected credit losses. Further, for the measuring life time expected credit losses allowance for trade receivable the Company has used a practical expedient as permitted under Indian AS 109. This expected credit loss allowance is computed based on provisions, matrix which takes into account historical credit loss experience and adjusted for forward looking information.

**Financial Liabilities-****Initial recognition and measurement**

All financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at amortized cost unless at initial recognition, they are classified as fair value through profit or loss. In case of trade payables they are initially recognize at fair value and subsequently, these liabilities are held at amortized cost, using the Effective interest method.

**Classification and subsequent measurement**

Financial liabilities are classified as measured at amortized cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are



measured at fair value and net gains and losses, including any interest expense, are recognized in the Statement of Profit and Loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in Statement of Profit and Loss. Any gain or loss on DE recognition is also recognized in the Statement of Profit and Loss.

### De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on subsequently different terms, or the terms of an existing liability are subsequently modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of the new liability. The difference in the respective carrying amount is recognize in the Statement of Profit & Loss.

### Offsetting of financial instruments

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 them on a net basis or to realise the assets and settle the liabilities simultaneously.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the financials.

## 2.17 Related Party Transactions:

In accordance with the requirements of Indian Accounting Standard-24, the following transactions are considered as Related Party transactions: -

(Rs. In Lakhs)

Sr. No.	Name	2024-25	Relationship	Nature of transaction
1.	Gautam P. Sheth	3.00	Director	Remuneration paid
2.	Nidhi G. Sheth	2.00	Director	Remuneration paid
3.	Gautam P. Sheth	3330.35	Director	Unsecured Loan Taken
4.	Nidhi G. Sheth	3.12	Director	Unsecured Loan Taken
5.	Gautam Gems	28.01	Director	Expenses Paid

**1. NOTES TO ACCOUNTS:**

- 1) Some of the Balances of sundry creditors, sundry debtors, loans & advances, and other liabilities are subject to balance confirmation and reconciliation.
- 2) In the opinion of the Board of Directors, Current Assets, Loans & Advances are approximately of the value at which they are stated in the Balance Sheet, if realized in the ordinary course of business.
- 3) The Company operates in one segment only.
- 4) The Company manages its capital to ensure that it will be able to continue as a going concern. The structure is managed to provide ongoing returns to shareholders and service debt obligations, whilst maintaining maximum operational flexibility.
- 5) The carrying amounts of trade payables, other financial liabilities, cash and cash equivalents, other bank balances, trade receivables and other financial assets are considered to be the same as their fair values due to their short-term nature.
- 6) The Company opines that no provision for expected credit loss is required.
- 7) There is no significant market risk or liquidity risk to which the Company is exposed.
- 8) Payment to Statutory Auditors (Rs In Lakhs)-

Particulars	FY 2025	FY 2024
Statutory Audit Fees	0.70	0.59

- 9) No amount remained due to Micro and Small Enterprises as defined in the “The Micro, Small and Medium Enterprise Development Act, 2006” as identified on the basis of information collected by the management.
- 10) The Company has re grouped and re-classified the previous year’s figures in accordance with the requirements applicable in the current year. In view of this, certain figures of the current year are not strictly comparable with those of the previous year.
- 11) The Earning Per Share (IndAS-33) has been computed as under-

Sr. No.	Particulars	Amount
A	PAT	Rs. 28.43/-

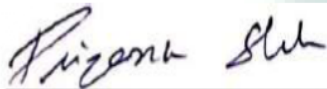
B	Equity Shares (In Nos.)	4,61,07,900
C	Nominal Value of Share	Rs 10 Per Share
D	EPS	0.06/-

12) Notes 1 to 38 form integral part of standalone financial statements.

#### ADDITIONAL DISCLOSURES:

- (i) Previous year figures have been regrouped and reclassified wherever necessary.
- (ii) Expenditure and earning in foreign currency: Nil
- (iii) Undisclosed Income:  
Company does not have any transactions 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). Also, there are nil previously unrecorded income and related assets.
- (iv) Details of Crypto Currency or Virtual Currency:  
Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) Figures have been rounded off to the nearest Lakhs.

FOR , AKGVG & ASSOCIATES..  
CHARTERED ACCOUNTANTS  
FRN No.018598N



**Priyank Shah**  
(Partner)  
Mem. No. : 118627  
UDIN : 25118627BMKTD8145



For, Gautam Gems Limited


  
**Gautam P. Sheth**  
(Managing Director)  
DIN : 06748854

  
**Nidhi G. Sheth**  
(Director)  
DIN : 06748877

Place : Ahmedabad  
Date : 26/05/2025

  
**Krina Thakkar**  
(Company Secretary)

  
**Dishant D. Jagad**  
(CFO)

Gautam Gems Limited											
Notes Forming Integral Part of the Assets & Liabilities as at 31.03.2025											
Note : 1 Property , Plant & Equipments										Amount in Lakhs	
Sr. No	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2025	WDV as on 31.03.2024
A	Tangible Assets										
1	Office equipment	20.71	3.64	0.00	24.35	18.40	1.31	0.00	19.71	4.65	2.31
2	Vehicle	20.58	0.00	0.00	20.58	18.83	1.04	0.00	19.86	0.71	1.75
3	Furniture and Fixtures	4.91	0.00	0.00	4.91	3.59	0.34	0.00	3.94	0.98	1.32
4	Plant and machinery	47.71	0.00	0.00	47.71	32.76	4.00	0.00	36.77	10.95	14.95
5	Land and building	180.75	0.00	0.00	180.75	0.00	0.00	0.00	0.00	180.75	180.75
	TOTAL	274.66	3.64	0.00	278.31	73.59	6.69	0.00	80.27	198.03	201.08

Gautam Gems Limited			
Statement of Assets & Liabilities as at 31.03.2025			
<b>Note: 2 Trade Receivables ageing schedule</b>			
Sr. No.	Particulars	2025	2024
(A)	<b>Outstanding for following periods from the Due Date less than 6 Months</b>		
	Undisputed Trade receivables- considered Good	1564.96	1747.51
	Sub Total in ` (A)	1564.96	1747.51
(B)	<b>6 Months to 1 Year</b>		
	Undisputed Trade receivables- considered Good	450.97	340.92
	Sub Total in ` (B)	450.97	340.92
(C)	<b>1 Year to 2 Years</b>		
	Undisputed Trade receivables- considered Good	4.27	21.73
	Sub Total in ` (C)	4.27	21.73
(D)	<b>2 Years to 3 Years</b>		
	Undisputed Trade receivables- considered Good	21.73	0.14
	Sub Total in ` (D)	21.73	0.14
(E)	<b>More than 3 years</b>		
	Undisputed Trade receivables- considered Good	372.92	372.78
	Sub Total in ` (E)	372.92	372.78
	<b>Total in ` { A+B+C+D+E }</b>	<b>2414.86</b>	<b>2483.09</b>
<b>Note : 3 Cash &amp; Cash Equivalent</b>			
Sr. No.	Particulars	2025	2024
(A)	<b>Cash-in-Hand</b>		
1	Cash Balance	9.92	3.02
	Sub Total (A)	9.92	3.02
(B)	<b>Bank Balance</b>		
	Bank Balance - Current A/C	2.10	2.59
	Axis Bank- Right Issue	2.51	2.50
	Sub Total (B)	4.60	5.09
	<b>Total in ` { A+B }</b>	<b>14.52</b>	<b>8.11</b>
<b>Note : 4 Other Current Assets</b>			
Sr. No.	Particulars	2025	2024
(A)	<b>Other Current Assets</b>		
1	Misc. Expense (To the extent not written off)	27.24	33.01
2	TDS Receivable	7.55	8.27
3	GST Receivable	0.00	4.58
4	BSE Deposits	44.30	44.30
5	Prepaid Expenses	0.50	0.27
6	Deposit BSNL	0.02	
7	Electricity Deposit -office Star Corner	0.41	0.41
	<b>Total in `</b>	<b>80.01</b>	<b>90.84</b>



Gautam Gems Limited					
Notes Forming Integral Part of the Assets & Liabilities as at 31.03.2025					
Statement of Changes in Equity					
(A) Equity Share Capital					
Particulars		2025	2024		
Balance as at beginning of year		4284.61	1907.73		
Changes in equity share capital due to prior period errors			-		
Restated balance at the beginning of the reporting period		4284.61	1907.73		
Changes in equity share capital during the year			2376.88		
Balance as at end of year		4284.61	4284.61		
(B) Other Equity					
Particulars	Reserves and Surplus			Total	
	Securities Premium Reserve	Revaluation Reserve	Other Equity		
As at April 01, 2023	340.40	15.89	188.57	544.85	
Profit for the year	-	-	38.26	38.26	
Other Comprehensive Income	-	-	-	-	
Total Comprehensive Income for the year	-	-	38.26	38.26	
Increase / Decrease in Securities Premium Reserve	237.69	-	(2.86)	234.83	
Other Adjustments	-	-	-	-	
As at March 31, 2024	578.08	15.89	223.96	817.93	
Profit for the year	-	-	28.43	28.43	
Other Comprehensive Income	-	-	-	-	
Total Comprehensive Income for the year	-	-	28.43	28.43	
Increase / Decrease in Securities Premium Reserve		-	-		
Other Adjustments	-	-	3.53	3.53	
As at March 31, 2025	578.08	15.89	248.86	842.83	
Note : 5 Equity Share Capital					
Sr. No	Particulars	2025	2024		
(A)	AUTHORIZED CAPITAL				
1	1,00,70,000 Equity Shares of Rs. 10/- each	1007.00	1007.00		
2	4,02,80,000 Equity Shares of Rs. 10/- each	4028.00	4028.00		
		5035.00	5035.00		
(B)	ISSUED, SUBSCRIBED & PAID UP CAPITAL				
	To the Subscribers of the Memorandum				
1	5491108 Equity Shares of Rs.10/- each	549.11	549.11		
2	4575951 Bonus Shares of Rs.10/- each	457.60	457.60		
3	36040841 Right Issue Share @ 10/- Shares of Rs.10/-each	3277.90	3277.90		
4	3902989 Right Issue Share @ 10/- Shares of Rs.4.5/- each Partly paid				
5	1338410 Right Issue Share @ 10/- Shares of Rs.7.25/- each Partly paid				
	Total in `	4284.61	4284.61		
Following Shareholders hold equity shares more than 5% of the total equity shares of the Company.					
Sr. No	SHARE HOLDER'S NAME	As at 31st March, 2025		As at 31st March, 2024	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	Gautam P. Sheth	10050706	21.8	186.09	40.36
2	Vivid Mercantile Limited	5760818	12.49	24.98	0.00
Details of Shareholding - Promoters and Promoter Group in the Company					
Sr. No	Name of Promoters / Promoter Group	As at 31st March, 2025			
		No. of Shares	% of Total Shares	% Change during the year 2024-25	
1	Gautam Pravinchandra Sheth	10050706	21.8	-18.56	
2	Nidhi Gautam Sheth	151947	0.33	0.00	
3	Kanchanben Pravinbhai Sheth	154000	0.33	0.00	
4	Reshma Shashikant Virwadia	514	0	0.00	
	Total	10357167	22.46	-18.56	

Gautam Gems Limited				
Notes Forming Integral Part of the Assets & Liabilities as at 31.03.2025				
Sr. No	Name of Promoters / Promoter Group	As at 31st March, 2024		
		No. of Shares	% of Total Shares	% Change during the year 2023-24
1	Gautam Pravinchandra Sheth	18609091	40.36	-1.11
2	Nidhi Gautam Sheth	151947	0.33	0.00
3	Kanchanben Pravinbhai Sheth	154000	0.33	0.00
4	Reshma Shashikant Virwadia	514	0	0.00
	Total	18915552	41.02	-1.11
Note : 6 Other Equity				
Sr. No	Particulars	2025	2024	
1	Securities Premium reserve	578.08	578.08	
2	Revaluation Reserve	15.89	15.89	
3	Surplus (Profit & Loss Account)	248.86	223.96	
	Balance brought forward from previous year	223.96	188.57	
	Less: Tax on Regular Assessment	3.53	2.86	
	Less: Profit / (Loss) for the period	28.43	38.26	
	Total in *	842.83	817.93	

Gautam Gems Limited			
Notes Forming Integral Part of the Assets & Liabilities as at 31.03.2025			
<b>Note : 7 Borrowings , Current</b>			
Sr. No.	Particulars	2025	2024
(A)	<b>From Bank</b>		
1	ICICI Bank - 338*	214.44	219.33
2	ICICI Bank - 474**	89.35	91.39
(B)	<b>From Others</b>		
1	Gautam P. Sheth	333.35	114.23
2	Nidhi G. Sheth	3.13	3.58
	<b>Total in `</b>	<b>640.26</b>	<b>428.52</b>
<p>*The company has availed loan from ICICI Bank, secured by mortgage of immovable property located at 301, Star Corner Opp Sbi Bank, Palanpore, Surat, 40, Surat 395009, at Floating Interest rate.</p> <p>**The company has availed loan from ICICI Bank, secured by morigage of immovable property located at 304/305/306, Block No 13/2,3rd,Floor,Star, Palanpore, 40, Surat 395009 at Floating rate of Interest</p>			
<b>Note: 8 Trade Payable ageing schedule</b>			
Sr. No.	Particulars	2025	2024
	<b>Outstanding for following periods from the Due Date</b>		
(A)	<b>less than 1 Year</b>		
	Others (Undisputed)	13.92	503.76
	Disputed Due - MSME	11.78	-
	<b>Sub Total in `(A)</b>	<b>25.70</b>	<b>503.76</b>
(B)	<b>1 Year to 2 Years</b>		
	Others (Undisputed)	483.69	285.92
	<b>Sub Total in `(B)</b>	<b>483.69</b>	<b>285.92</b>
(C)	<b>2 Years to 3 Years</b>		
	Others (Undisputed)	285.92	817.35
	<b>Sub Total in `(C)</b>	<b>285.92</b>	<b>817.35</b>
(D)	<b>More than 3 years</b>		
	Others (Undisputed)	493.29	212.77
	<b>Sub Total in `(D)</b>	<b>493.29</b>	<b>212.77</b>
	<b>Total in ` (A+B+C+D)</b>	<b>1288.60</b>	<b>1819.81</b>
<b>Note : 9 Provisions, Current</b>			
Sr. No.	Particulars	2025	2024
(A)	<b>Other Provisions</b>		
1	Provision for Income Tax	9.00	9.00
2	TDS Payable	1.83	0.73
3	TCS Payable	0.02	-
4	Other Provisions	0.10	0.15
5	Audit Fees Payable	0.80	-
6	Salary Payble	9.24	9.01
7	GST	11.67	-
	<b>Total in `</b>	<b>32.66</b>	<b>18.88</b>

Gautam Gems Limited			
Notes Forming Part of Statement of Profit & Loss Accounts for the year ended 31.03.2025			
<b>Note : 10 Revenue from Operations</b>			
Sr. No.	Particulars	2025	2024
1	Sales	7834.01	10134.08
	Total in	7834.01	10134.08
<b>Note : 12 Purchase of Stock -in-Trade</b>			
Sr. No.	Particulars	2025	2024
(A)	PURCHASES OF RAW MATERIALS AND STORES		
1	Purchase	7413.55	12403.60
2	Stores Spares & Materials	3.17	12.22
3	Other Direct Expenses	57.23	67.17
	Total in	7473.95	12482.99
<b>Note : 11 Other Income</b>			
Sr. No.	Particulars	2025	2024
1	Interest on Advance	3.84	9.01
2	Rent Income	12.65	14.41
3	Other Income	0.00	1.02
	Total in	16.49	24.44
<b>Note : 13 Change in Inventories</b>			
Sr. No.	Particulars	2025	2024
1	Opening Stock	4527.61	1980.42
2	Closing Stock	4324.00	4527.61
	Total in	203.61	(2547.19)
<b>Note : 14 Employment Benefit Expenses</b>			
Sr. No.	Particulars	2025	2024
1	Salary Expenses	53.03	74.23
2	Directors Remuneration	5.00	5.00
3	Contribution	7.54	11.87
	Total in	65.58	91.10
<b>Note : 15 Financial Cost</b>			
Sr. No.	Particulars	2025	2024
1	Bank Charges	0.08	0.24
2	Interest Expenses	33.24	34.52
	Total in	33.32	34.77
<b>Note : 16 Depreciation &amp; Amortised Cost</b>			
Sr. No.	Particulars	2025	2024
1	Depreciation	6.69	5.44
	Total in	6.69	5.44
<b>Note : 17 Other Administrative Expenses</b>			
Sr. No.	Particulars	2025	2024
1	Audit Fees	0.80	0.24
2	Advertisement	0.48	0.84
3	BSE , CDSL , NSDL , ROC Expenses	7.24	13.42
4	Conveyance & Petrol Expenses	0.55	0.45
5	Computer Expenses	0.18	0.06
6	Electricity Expenses	1.37	2.38
7	Insurance	0.32	0.36
8	Interest On TCS & TDS	0.18	1.33
9	Legal & Professional Fees	4.02	3.86
10	Late Payment Interest Of Professional Tax	0.06	0.00
11	Municipal Tax	2.08	1.90
12	Office Expenses & Tea Refreshment Expenses	0.92	1.17
13	Other Expenses	0.00	0.07
14	Post & Courier Expenses	0.49	0.77
15	Printing & Stationary Expenses	0.13	0.13
16	Preliminary Expenses W/OFF	5.77	5.77
17	Repairing & Maintenance Expenses	0.41	2.28
18	Telephone Expenses	0.03	0.06
	Total in	25,02,314	35,08,499

## **GAUTAM GEMS LIMITED**

### **Significant Accounting Policies and Notes forming parts of Accounts**

#### **NOTES ON ACCOUNTS**

1. Previous year's figures are regrouped/rearranged wherever necessary.
2. All the Opening Balances are taken as per the previous year's audit report.
3. Contingent liability in respect of claims against the company not acknowledged as debts against which the company has counterclaims aggregating to Rs. is Nil.
4. In the opinion of the Board, the current assets, loans, and advances are approximately of the value stated in the Balance sheet, if realized in the ordinary course of business.
5. Information pursuant to paragraphs 2, 3, 4, and 5 of Part II of schedule III is given so far as it applies to the company

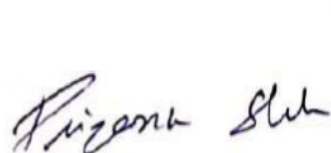
#### **a) Payment to Statutory Auditors**

	Current Year	Previous Year
1. Audit Fees	0.70/-	0.59/-

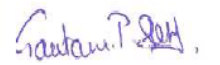
6. Provision for Taxation for the current year has been made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.
7. There is no adjustment required to be made to the profits or loss for complying with ICDS notified u/s 145(2).

**FOR, AKGVG & ASSOCIATES..**  
**CHARTERED ACCOUNTANTS**  
**FRN No.018598N**


**For, Gautam Gems Limited**



**Priyank Shah**  
**(Partner)**  
**Mem. No. : 118627**  
**UDIN : 25118627BMKTD8145**

**Gautam P. Sheth**  
**( Managing Director )**  
**DIN : 06748854**



**Nidhi G. Sheth**  
**(Director)**  
**DIN : 06748877**

**Place : Ahmedabad**  
**Date : 26/05/2025**



**Krina Thakkar**  
**(Company Secretary)**



**Dishant D. Jagad**  
**(CFO)**



## **Significant Accounting Policies**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial statements are prepared under the historical cost convention and on accrual basis in accordance with the Indian Accounting Standards (referred to as “Ind AS”) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

Accounting policies not specifically referred to otherwise are consistent and in accordance with the generally accepted accounting principles

### **B. REVENUE RECOGNITION**

Sales are recorded exclusive of Taxes and when risk is transferred to the customer.

### **C. RETIREMENT BENEFITS**

- As certified by the management, the company has no liability under the Provident Fund & Super Annuation Fund Act as the said acts do not apply to the company.
- It is explained to us that the company does not provide for any leave encashment and any liability arising thereon shall be paid and dealt with in the books of accounts at the actual time of payment.

### **D. INVESTMENTS**

- Long Investments are carried at cost less provision for permanent diminution if any in the value of such investment. There were no such investments during the year.

### **E. BORROWING COSTS**

- Borrowing costs are charged to the Profit and Loss A/c in the year in which they are incurred.

### **F. CONTINGENT LIABILITIES**

- As certified by the Management, there is no contingent liability on the company and all known and estimated liabilities have been provided for in the books of accounts.

### **G. APPLICABILITY OF IndAS-12**

- Provision for the deferred tax has been created on timing difference. During the year there was created Deferred Tax Liability.

#### H. FOREIGN CURRENCY TRANSACTIONS

- There are no such foreign currency transactions during the year.

#### I. C I F VALUE OF IMPORT RAW MATERIALS NIL

#### J. EXPENDITURE IN FOREIGN CURRENCY NIL

#### K. PROPERTY, PLANT, AND EQUIPMENT

- Property, Plant, and Equipment are stated at the cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements, and renewals is capitalized and expenditure for maintenance and repairs is charged to the profit and loss account.

#### L. DEPRECIATION

- Depreciation is provided on WDV method as per The Companies Act, 2013

#### M. APPLICABILITY OF IndAS - 24

In accordance with the requirements of Indian Accounting Standards - 24, the following transactions are considered as Related Party transactions:-

Sr. No.	Name	Amount	Relationship	Nature of transaction
1.	Gautam P. Sheth	3.00	Director	Remuneration paid
2.	Nidhi G. Sheth	2.00	Director	Remuneration paid
3.	Gautam P. Sheth	3330.35	Director	Unsecured Loan Taken
4.	Nidhi G. Sheth	3.13	Director	Unsecured Loan Taken
4.	Gautam Gems	28.02	Director	Expenses Paid

**N. Earnings per Share:** The Earning Per Share (IndAS-33) has been computed as under:-  
 (a) Profit after tax Rs. 28.43/-

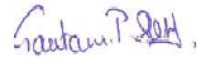
(b) No. of Equity Share	461.08
(c) Nominal value of share	Rs. 10 per share
(d) EPS	0.06/-

FOR , AKGVG & ASSOCIATES..  
CHARTERED ACCOUNTANTS  
FRN No.018598N

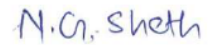
For, Gautam Gems Limited



Priyank Shah  
(Partner)  
Mem. No. : 118627  
UDIN : 25118627BMKTD8145

Gautam P. Sheth  
(Managing Director)  
DIN : 06748854



Nidhi G. Sheth  
(Director)  
DIN : 06748877

Place : Ahmedabad  
Date : 26/05/2025



Krina Thakkar  
(Company Secretary)



Dishant D. Jagad  
(CFO)

**Note : 21 Ratio Analysis**

	Particulars	2025	2024
1	Revenue From Operation	78,34,01,416	1,01,34,08,306
2	Total Purchases	74,13,55,013	1,24,03,59,738
3	Profit Before Tax	42,33,621	52,25,839
4	Interest Expenses	33,24,219	34,52,165
5	Profit Before Interest and Tax(PBIT)	75,57,840	86,78,004
6	Profit After Tax (PAT)	28,42,603	38,25,526
7	Total Outside Liabilities (Long + Short Term)	6,40,25,925	4,28,52,266
8	Add: Share Holder Fund	51,27,43,231	51,02,53,520
9	Capital Employed	57,67,69,156	55,31,05,776
10	Current Assets	69,11,30,851	71,84,14,455
11	Less: Current Liabilities	19,61,51,824	22,67,20,554
12	Net Working Capital	49,49,79,027	49,16,93,901
13	Inventory	43,23,99,941	45,27,60,543
14	Trade Receivable	24,14,86,257	24,83,09,225
15	Trade Payable	12,88,59,638	18,19,80,524
16	Principle Repaymen of Loan	6,93,525	5,65,579
(A)	<b>Current Ratio</b> (In times) (Current Assets/Current Liabilities)	3.52	3.17
(B)	<b>Inventory Turnover Ratio</b> (In times) (Revenue From Operation/Closing Inventory)	1.81	2.24
(C)	<b>Trade Receivable Turnover Ratio</b> (In times) (Revenue From Operation/Trade Receivable)	3.24	4.08
(D)	<b>Trade Payable Turnover Ratio</b> (In times) (Total Purchase/Trade Payable)	5.75	6.82
(E)	<b>Net Working Capital Turnover Ratio</b> (In times) (Revenue From Operation/Net Working Capital)	1.58	2.06
(F)	<b>Return on Equity</b> (Profit For Equity Shareholders/Equity)*100	0.55%	0.75%
(G)	<b>Net Profit Ratio</b> (Net Profit/Revenue From Operation)*100	0.36%	0.38%
(H)	<b>Return on Capital Employed</b> (PBIT/Capital Employed)*100	1.31%	1.57%
(I)	<b>Debt Equity Ratio</b> (In times) (Total Outside Liabilities/Equity)	0.12	0.08
(J)	<b>Debt Service Coverage Ratio</b> (In times) (PAT+Interest Exp/(Principle Repayment+Interest Expenses)	1.53	1.81

**THANK YOU**

FOR YOUR TIME AND ATTENTION.