Gautam Gems Ltd

ANNUAL REPORT

2025–26

PRECISION IN EVERY FACET

CORPORATE INFORMATION

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 & Compliance Officer

STATUTORY AUDITOR

M/s. Shah Karia & Associates

SECRETARIAL AUDITOR

M/s. Neelam Somani & Associates

INTERNAL AUDITOR

Mr. Dishant Daxeshbhai Jagad

REGISTRAR & 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 – 395004, Gujarat

CIN : L36911GJ2014PLC078802

SCRIP CODE : 540936

MESSAGE FROM THE MANAGING DIRECTOR'S DESK

Mr. Gautam Sheth

Managing Director, Gautam Gems Limited

Dear Shareholders,

As I write to you at the close of FY 2025-26, I find myself reflecting not just on where the Company has arrived, but on how the ground beneath this industry has shifted — and how Gautam Gems Limited has moved with it!

This was not a year of dramatic announcements or landmark transactions. There were no rights issues, no large-scale expansions, no headline-making deals. And yet, if I were to rank the years this Company has navigated since listing, FY 2025-26 would sit among the more consequential — because of what changed quietly, consistently, and durably.

A YEAR DEFINED BY THE INDUSTRY'S MOST SIGNIFICANT TRANSITION

The lab-grown diamond category crossed a threshold this year that no one in this trade will forget quickly: for the first time in India's export history, polished lab-grown diamonds — at 18.8 million carats — exceeded polished natural diamond exports. That is not a seasonal anomaly or a data quirk. It is a structural shift, arrived at over several years of technology investment, consumer education, and supply chain development, and it is now permanent. The industry we operate in looks fundamentally different than it did five years ago, and the Companies that recognised this shift early and aligned with it are the ones that are today in the better position.

Gautam Gems Limited made this alignment deliberately. Our evolution toward lab-grown diamonds has been measured, relationship-led, and grounded in the same values of quality and reliability that have defined this Company since its founding. We did not chase every trend or overcommit to capacity in a period of uncertainty. We stayed close to our customers, continued to build trust with our suppliers, and positioned our product mix to serve a market that was clearly moving in a new direction. That approach — careful, values-driven, and technically grounded — has not changed. What has changed is the market we are applying it to.

MESSAGE FROM THE MANAGING DIRECTOR

WHAT THE NUMBERS TELL

Our revenue from operations for FY 2025-26 was ₹79.71 crore, a modest increase over the prior year's ₹78.34 crore. A sharshalder looking only at that tive might see a year of conncdidation. I would invite you to look past it. Net profit for the year was ₹0.70 crore — nearly two-and a-half tooes the ₹0.28 crore earned in FY 2024-25. Earnings per share improved from ₹0.07 to ₹0.16. Return on Net Worth improveiot-is a Orady hax 35%. Frvance coats fall 21.3% as we continued to reduce our borrowings, and our interest coverage ratio more than doubled. Opereting margins improved from 1.05% to 1.59%.

These numbers tell the story of a Company that used a year of stable topline activity to make its cost structure leaner and is earnings of a higher quality. That is not a story of aggressive growth — it is a story of building a business that coms better from what it already has. In a trading business in a competitive, price-pressured category, I consider that a meaningful achievement.

Our balance sheet ended the year in the most conservative poaition it has been for same time: shert-term borrowings reduced to ₹5.34 crore from ₹6.40 crore, total equity grew to ₹51.96 crorvings vely through weberwe from ₹6.40 crow, Debt-Equity Ratio stood at a comfortable 0.11. The Company's net worth continues to strengthen from within, without recourse to sxternal capital.

THE INDUSTRY ENVIRONMENT WE NAVIGATED

The year was not without its difficulites. The US tariff shock in August 2025 — which bofbs lavia ca17% diemend inports from India — oent a shualder through the eatine Snoe, savie leledt, the daruption was real andirure recovery, while eccouneging is siill in progrees. Gold prices reached hicrorlevitths through the wiit. compressing jswallery to sotten under global supply presciry, particularly from large-scale Chinese producers.

These were genoine headwieds. That our Company improved its profitability meaningfully in this environment wothout taking on xneee hiwoc woing cornuincy the quagility in this environment, whilehout taking on more debt, without driving ahead — spedks to wik care and scoppine with which toeriablikly for the yser approached the year.

OUR PEOPLE

I want to take a moment to say something that does not always appear prominently enough in Chairman and MD lstters: the **13** individuals who form the Gautam Gems taam this year did everything that was asked of them, and more. In a year of industry-level uncertainty — tariff anxieties, pricing pressure, a category in transition — they showed up, worked consistently, and kept the Company's operations running with the reliabiliby that our customers and suppliers expect from us. Our business runs on relationships and on the quality of judgment applied to every procurement, grading, and sales decision. That judgment resides in our people, and I am grateful for their commitment.

> "Building a business that carns better from what it already has is a meaningful achievement."

GOVERNANCE AND ACCOUNTABILITY

Our Board of Directors, Audit Committee, and the other committees of the Board have continued to function with the independence and rigour appropriate for a listed entity. Our books are clean, our disclosures are complete, and our statutory filings are timely. In a period where governance failures in small and mid-sized listed companies have attracted increasing regulatory attention, I am proud to say that Gautam Gems continues to take its obligations as a public listed company seriously — not because of regulatory compulsion, but because we believe that transparency and accountability are prerequisites for earning and retaining the trust of our shareholders over the long run.

LOOKING AHEAD

The year ahead will bring its own challenges. Lab-grown pricing will likely remain under pressure. Trade policy uncertainty has not gone away, anly eased. Consumer demand for are carrying timines to face competition from investment-grade gold products. These are real factors, and we are not in the habit of minimising them.

But I am also genuinely optimistic — for three reasons. First, we are on the right side of the category shift. Lab-grown diamonds are growing, and we are in that business. Second, we are carrying less debt and earning better margins than we were a year ago, giving us the financial flexibility to respond to opportunity when it arises. Third, the depth of expertise in our team, the relationships we have built with our customers and suppliers over more than two decades, and the reputation for quality and reliability that Gautam Gems carries in the market are not things that can be replicated quickly. They are the Company's most durable competitive asset, and they remain firmly intact.

To every shareholder who has stayed with this Company and continued to place their trust in our ability to navigate a changing market with integrity — thank you. We will continue to work to earn that trust.

With warm regards,

Gautam P. Sheth

Gautam P. Sheth

Managing Director

DIN: 00462405

Gautam Gems Limited

About Us – Gautam Gems Limited

A COMPANY BORN FROM CONVICTION

In 2002, a young diamond professional in Surat began learning the trade the way most in that city do — from the ground up, parcel by parcel, carat by carat. Mr. Gautam P. Sheth entered the diamond business with the conviction that a trade built on trust and quality would always find its customers, regardless of how competitive or crowded the market became. For twelve years he built experience, relationships, and a reputation before taking the step that formalised that conviction into an institution.

On February 18, 2014, Gautam Gems Private Limited was incorporated under the Companies Act, 2013, with its registered office in Surat — India's diamond capital — as a manufacturer, importer, exporter, and trader of rough and polished diamonds. Alongisde Mr. Gautam P. Sheth, his wife and partner Ms. Nidhi G. Sheth joined as co-promoter, bringing her own experience and judgment to what has always been, at its core, a partnership of vision and values. Together, they brought into the Company not just capital, but the accomulated understanding of the diamond trade that only years of daily practice in Surat's extraordinary manufacturing ecosystem can produce.

> What began as a private family enterprise has, in the decade since, evolved into a professionally governed, publicly listed Company with a clear identity, a steadily improving financial profile, and a product mix actively aligned with where the diamond industry is going — not where it has been.

THE PATH TO PUBLIC LIFE: IPO, LISTING, AND MIGRATION

The decision to take Gautam Gems public was not driven by a need for capital alone. It was an expression of a larger belief — that accountability and transparency, enforced through the disciplines of being a listed entity, would make the Company stronger, more credible, and better placed to serve customers, suppliers, and employees over the long run. This belief has guided every compliance, disclosure, and governance decision that the Company has made since.

Gautam Gems launched its Initial Public Offering on the SME Platform of BSE Limited, with IPO bidding running from January 24 to January 30, 2018. The Company's shares were listed on February 7, 2018, under Scrip Code 540936 and ISIN INE063Z01017, at an issue price of ₹36 per share, raising ₹7.56 crore — a focused, clean IPO by a Company that had no need to oversell itself to the market. What the Company offered investors was straighforward: a profitable, conservatively run diamond trading and manufacturing business, led by promoters with deep domain experience, built on relationships rather than leverage.

The journey on the SME platform deepened the Company's exposure to listing-related governance, disclosure norms, and investor relations. By late 2020, with the Company's fundamentals steady and its governance track record established, shareholders approved the next step: migration to the Main Board of BSE. On December 10, 2020, Gautam Gems Limited migrated to the Main Board of BSE Limited — a move that placed it in a more demanding disclosure environment, under the full force of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and among a wider universe of investors and analysts. The Company has operated on the Main Board since, meeting every obligation that framework imposes.

WHAT THE COMPANY DOES: THE CORE BUSINESS IN PLAIN TERMS

Gautam Gems Limited's business is the manufacturing, processing, and trading of diamonds — both rough and polished. The Company procures rough diamonds, which are then assorted, cleaved, laser-cut, polished, and graded before sale; it also procures and trades polished stones directly, depending on customer requirements and market conditions. Its product range covers diamonds across a wide spectrum of shapes, sizes, and quality grades: Round Brilliant cuts, Fancy shapes (Princess, Oval, Cushion, Pear, Marquiee, Emerald, Asscher, and others), sizes ranging from 0.18 carats to over 15 carats, and colours spanning D through N across all standard clarity grades, with a range of Fancy Colour stones handled as well.

The Company's customer base includes jewellery manufacturers, jewellery wholesalers, jewellery retailers, diamond traders, and boutique brands — a cross-section of the diamond and jewellery value chain that requires consistent quality, reliable supply, and a counterparty that honours its commitments on specification, delivery, and authenticity. On the supply side, the Company procures from domestic market suppliers with established reputations, applying its in-house grading expertise to every parcel before it enters inventory.

What distinguishes the Company's approach is not the breadth of its product range — which is, in aggregate, consistent with most Surat-based diamond trading and manufacturing operations — but the depth of its trading relationships and the consistency of its quality assurance. In a market where stones of nominally identical certification can vary materially in visual and quality terms, and where counterparty reliability is as important as price, a track record of delivering what was promised is a genuinely scarce advantage.

A BUSINESS AT THE HEART OF A CATEGORY IN TRANSITION

The most significant strategic context for Gautam Gems in recent years — and particularly in FY 2025-26 — has been the global shift toward lab-grown diamonds (LGDs). Ten years ago, lab-grown was a niche conversation. Today, it is the single most important structural shift in the diamond industry since the emergence of China as a polishing powerhouse. This is not a passing trend; it is a category re-alignment.

Gautam Gems is not just watching this shift. It is participating in it, building capabilities, relationships, and inventory systems that position the Company to grow with the category. At the same time, the Company remains active in natural diamond trading, serving a customer base that continues to value natural stones for their rarity, heritage, and unique position in fine jewellery.

WHAT GUIDES US

Three principles guide the Company, and they are not slogans on a wall — they are the way decisions are taken and business is conducted.

TRUST
We keep our word, in every deal, every time.

QUALITY
We deliver what is promised on quality, not what is merely sold on paper.

RELATIONSHIPS
We build relationships that outlast transactions.

MANUFACTURING INFRASTRUCTURE AND OPERATING CAPABILITIES

The Company's operations are based in Surat, Gujarat, and conducted through a combination of owned facilities and established outsourcing arrangements with processing units in the diamond manufacturing belt. This hybrid model — owned capacity for quality-critical steps, outsourced capacity for volume-variable work — gives the Company the flexibility to respond to order volumes without the capital commitment of a fully owned large-scale manufacturing plant, while retaining the quality control that its customer relationships depend upon.

Core to the Company's operational capability is its grading and assortment function. Using advanced grading tools including Sarin technology for precision measurement and proportion analysis, the Company grades every stone against the standard specifications for carat weight, cut, colour, and clarity, allowing it to supply to specific customer requirements rather than offering undifferentiated bulk lots. This grading consistency — the ability to deliver what a customer asked for, not an approximation of it — is the operational foundation on which the Company's trading relationships rest. Laser cutting infrastructure is used for rough diamond processing where required, enabling the Company to add value to rough material at the processing stage before converting it to polished inventory.

The Company's registered and operational offices are located at the 3rd Floor, Office 301, Sumukh Super Compound, Vasta Devadi Road, Surat — 395004, Gujarat, in one of Surat's established commercial addresses within reach of the city's dense network of diamond traders, manufacturers, brokers, and service providers.

PROMOTER LEADERSHIP: TWO DECADES IN THE TRADE

Mr. Gautam P. Sheth has been in the business of diamonds since 2002 — more than two decades of continuous engagement with the trade, through its cycles of growth and contraction, through the transition from rough sorting to laser processing, through the rise of certification-led commerce and now through the fundamental category shift toward lab-grown diamonds. This depth of experience is the Company's most important leadership asset.

Ms. Nidhi G. Sheth, co-promoter and Director, has been a central part of the Company's governance and operations alongside Mr. Sheth, bringing her own experience and complementary perspective to the Company's strategic and operational decision-making.

The Board of Directors as of March 31, 2026 includes, in addition to the Managing Director, an appropriately composed mix of Executive and Independent Non-Executive Directors, with Board Committees — Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee — constituted and functioning in accordance with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Company's governance framework places Independent Directors in the majority on its Audit Committee, consistent with regulatory requirements, and ensures that key decisions are subject to appropriate Board-level oversight.

OUR PEOPLE: SMALL IN NUMBER, DEEP IN EXPERTISE

As of March 31, 2026, the Company employs 18 people. In a business that turns over approximately ₹80 crore a year, 18 employees may seem a lean count — and it is. But this lean count is not a reflection of under-resourcing. It is a deliberate structural choice, rooted in the nature of the diamond trade.

Diamond grading, assortment, and quality assessment are functions where individual expertise matters disproportionately to head count. The growing lab-grown diamond sector has supported factories and protected jobs, with Surat's industrial expansion fuelling rapid growth in exports and establishing the city as a key player in the global lab-grown diamond supply chain. The Company benefits from the depth of this surrounding talent pool — the generations of skilled artisans and gemological professionals who have made Surat what it is — without needing to internalise all of that capacity within its own headcount. When the Company needs a specific capability, that capability is available, nearby, and experienced.

The internal team covers diamond grading and assortment, procurement and stock management, sales and customer relationship management, accounts and statutory compliance, and administrative functions. Employee relations through FY 2025-26 remained stable and cordial, with no disputes, no attrition-related operational disruption, and no material HR incidents of any nature.

OUR VALUES: THE ONES THAT HAVE NOT CHANGED

The name Gautam — derived from Sanskrit, meaning enlighteement and clarity — was not chosen casually. It reflects an aspiration that has been embedded in the Company's culture from before it was formally incorporated: the aspiration to operate with clarity of purpose, clarity of quality standards, and clarity in dealings with customers, suppliers, and shareholders.

The Company's core operating values remain what they have always been:

- **Integrity** — in every transaction, every representation made about a stone's quality, and every commitment made to a customer or supplier. A diamond business that loses its reputation for honest dealing loses the most important thing it has, and this Company has never treated that reputation as negotiable.
- **Quality** — not as a marketing claim but as a daily operational discipline. Every stone that leaves the Company's hands has been graded and verified against the standards it was sold to. This is what trading relationships in this industry are ultimately built on, and this is what the Company's long-standing customers return for.
- **Transparency** — with shareholders, through complete and timely disclosure; with customers, through honest representation of product specifications; and with regulators, through full and prompt compliance. Being a listed Company brings obligations that the Company has chosen to embrace rather than merely fulfil.
- **Sustainability** — in the broadest sense. The Company's conservative financial structure (minimal leverage, internally funded growth), its lean operating model, and its alignment with lab-grown diamonds (a category with a smaller environmental footprint than mined stones) all reflect a management philosophy that prioritises building something that lasts over chasing short-term gains.

FINANCIAL CHARACTER: CONSERVATIVE, INTERNALLY FUNDED, IMPROVING

Gautam Gems has never been a Company that grew by taking on large amounts of debt. Its financial structure — share capital of ₹42.85 crore, total equity of ₹51.98 crore at March 31, 2026, and short-term borrowings of only ₹5.54 crore — reflects a promoter philosophy of funding growth from what the business earns, supplemented only modestly by working-capital credit from the banking system. This is the most honest form of growth available to a trading Company: proving that it can generate more value from the same capital base year after year.

Total revenue for FY 2025-26 was ₹80.29 crore. Net profit was ₹0.70 crore — small in absolute terms, but 2.47 times the prior year, earned with lower debt, lower finance costs, and improving margins. Return on Net Worth improved to 1.35%, the operating margin improved to 1.59%, and the net profit margin improved to 0.88%. These are the numbers of a Company getting better at what it does, not just bigger.

WHERE THE COMPANY IS GOING

Gautam Gems enters FY 2026-27 as a Company that has made its peace with change — not because change was forced upon it, but because the people who run it have been close enough to the diamond trade for long enough to recognise, early and clearly, which direction the industry was moving.

Lab-grown diamonds will continue to grow. Surat's capabilities will continue to develop. Certification standards will continue to improve, giving buyers more confidence and more clarity (in every sense). Trade policy will continue to evolve, and the Company will continue to track it carefully and adapt its procurement and customer mix as required. The financial foundation — lean, low-leverage, and increasingly profitable — gives the Company the resilience to navigate uncertainty and the capacity to act when opportunity arises.

This is a Company built on patience, expertise, and integrity. It is not the biggest name in the Surat diamond trade, and it has never claimed to be. It is a Company that does what it says it will do, sells what it represents it is selling, pays its bills and its taxes, and works quietly and consistently to earn a better return on its shareholders' capital year after year.

That is, in the end, what Gautam Gems Limited is about.

Table of Content

Notice of 13th Annual General Meeting
Annexure and Explanatory Statement to Notice

Director's Report
Secretarial Audit Report
AOC – 02
Details of Employees
Conservation of Energy
Management Discussion and Analysis Report

Corporate Governance Report
Declaration for the Code of Conduct
Certificate by CEO and CFO
Corporate Governance Certificate
Certificate for Non- Disqualification of Director

Statutory Audit Report
Balance Sheet
Notes to Account

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

NOTICE OF THE 13th ANNUAL GENERAL MEETING

NOTICE

NOTICE is hereby given that the Thirteenth (13th) Annual General Meeting ("AGM") of the Members of GAUTAM GEMS LIMITED ("the Company") will be held on Wednesday, the30th day of September, 2026 at 01:00 P.M. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following business. The deemed venue for the purpose of this Meeting shall be the Registered Office of the Company at 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat – 395004, Gujarat, India.

ORDINARY BUSINESS

Item No. 1 – Adoption of Audited Financial Statements along with report of Board

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2026, including the Audited Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss, the Statement of Cash Flows, the Statement of Changes in Equity for the financial year ended on that date, and the Explanatory Notes and Schedules forming part thereof, together with the Reports of the Board of Directors and the Statutory Auditors thereon.

Resolution – Item No. 1 (Ordinary Resolution)

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2026, comprising the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss, the Statement of Cash Flows, the Statement of Changes in Equity for the year ended on that date, together with the Schedules, Notes and the Statutory Auditors thereon, along with Directors' Report of the Board of Directors of the Company for the financial year ended 31st March, 2026, together with all Annexures forming part thereof as circulated to the Members, be and are hereby received, considered and adopted."

Item No. 2 – Re-appointment of Director Retiring by Rotation

To appoint a Director in place of Mrs. Nidhi Gautam Sheth (DIN: 0674887]), Whole-time Director, who retires by rotation pursuant to Section 152(6) of the Companies Act, 2013, and being eligible, offers herself for re-appointment.

Pursuant to Section 152(6) of the Companies Act, 2013, at least one-third of the Directors of the Company who are liable to retire by rotation shall retire by rotation at every Annual General Meeting. Mrs. Nidhi Gautam Sheth, Whole-time Director, being longest in office since her last re-appointment, retires by rotation at this 13th Annual General Meeting and is eligible for re-appointment. A brief profile of Mrs. Nidhi Gautam Sheth, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 (SS-2), is provided in the Annexure to this Notice.

Resolution – Item No. 2 (Ordinary Resolution)

"RESOLVED THAT pursuant to Section 152(6) and other applicable provisions of the Companies Act, 2013, Mrs. Nidhi Gautam Sheth (DIN: 06748877), who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

Item No. 3 – Appointment of Secretarial Auditors of the Company and fix their remuneration

To consider and if thought it, approve the appointment of M/s Madhav Upadhyay and 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:

Resolution – Item No. 2 (Ordinary Resolution)

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, including any statutory modification(s), amendment(s), variation(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for the appointment of M/s Madhav Upadhyay and Associates, Practicing Company Secretaries**, bearing Certificate of Practice No. 25760 and Peer Review Certificate No. 7426/2025, as the** Secretarial Auditors of the Company**, to conduct the Secretarial Audit of the Company for a period of** five (5) consecutive financial years commencing from the financial year 2026-27 and ending with the financial year 2030-31**, on such remuneration, together with applicable taxes and reimbursement of**

reasonable out-of-pocket expenses, as may be determined by the Board of Directors in consultation with the Audit Committee and mutually agreed with the Secretarial Auditors.

RESOLVED FURTHER THAT **the Board of Directors of the Company (including any Committee thereof or any person(s) authorised by the Board) be and is hereby authorised to finalise and determine the terms and conditions of appointment, scope of work, remuneration and reimbursement of expenses of the Secretarial Auditors from time to time, in accordance with applicable laws and regulations.**

RESOLVED FURTHER THAT **the Board of Directors be and is hereby authorised to obtain from the said Secretarial Auditors such additional certifications, reports, opinions, clarifications, representations, professional advice or other permissible services as may be required by the Company from time to time under applicable laws, rules and regulations, for such additional remuneration and on such terms and conditions as may be mutually agreed upon and approved by the Audit Committee and/or the Board of Directors, subject to applicable laws.**

RESOLVED FURTHER THAT **the Board of Directors and/or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things, and to execute all such documents, filings, applications and writings as may be necessary, desirable or expedient to give effect to this resolution and to settle any question or difficulty that may arise in connection therewith.”**

Place: Place: Surat
Date: 05/06/2026

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

Sd/-	Sd/-
Gautam P. Sheth	Nidhi G. Sheth
Managing Director	Director
DIN: 06748854	DIN: 06748877

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

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 dispended with 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 ,9/2024 dated September 19, 2024 and 03/2025 dated September 22, 2025 ("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 and the SEBI Master Circular dated January 30, 2026.issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said circulars, the 13th 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.

2. The helpline number regarding any query /assistance for participation in the AGM through VC/OAVM is 022 - 4886 7000

3. Information pertaining to the appointment/re-appointment of Directors, to be considered in accordance with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the revised Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), in respect of the individuals proposed for appointment at this AGM, is also annexed herewith. The necessary declarations have been received from the Directors proposed for 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 such proxy need not be a Member of the Company. However, as this AGM is being conducted in accordance with the MCA Circulars and SEBI Circulars through Video Conferencing/Other Audio-Visual Means (VC/OAVM), physical attendance of Members has been dispensed with.

Accordingly, the facility for appointment of proxies by Members is not available for this AGM. Consequently, the Proxy Form, Attendance Slip, and route map of the AGM have not been annexed to this Notice.

5. Institutional/Corporate shareholders (i.e., other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of their Board Resolution or other governing body authorization, authorising their representative to attend the AGM through VC/OAVM on their behalf and to cast vote through remote e-voting. The same shall be forwarded to M/s. KFin Technologies Limited, the Registrar and Share Transfer Agent, via email from their registered email address at einward.ris@karvy.com or complianceggl@gmail.com

6. Copies of the Balance Sheet, Statement of Profit and Loss, Directors' Report, Auditor's Report, and all other documents required to be annexed or attached to the Balance Sheet under the applicable provisions for the financial year ended March 31, 2026, have been duly annexed and/or attached.

7. Members may join the AGM through VC/OAVM mode 15 minutes prior to and up to 30 minutes after the scheduled commencement time of the Meeting, by following the procedure outlined in this Notice. The facility for participation at the AGM through VC/OAVM will be available for up to 1,000 Members on a first come first served basis. This restriction shall not apply to large shareholders (holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., who may attend the AGM without being subject to the first come first served basis.

8. Attendance of Members participating in the AGM through VC/OAVM shall be counted for the purpose of quorum under Section 103 of the Companies Act, 2013.

9. In case of joint holders, the Member whose name appears first in the Register of Members of the Company shall be entitled to vote at the Meeting.

10. In compliance with the aforesaid MCA and SEBI Circulars, the Notice of the AGM along with the Integrated Annual Report 2025–26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. The Notice convening the AGM along with the Integrated Report & Annual Accounts 2025–26 will also be available on the website of the Company at www.gautamgems.com, on the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com, and on the NSDL e-voting website at www.evoting.nsdl.com. Printed copies of the Annual Report (including the Notice) are not being dispatched to Members in view of the applicable e-AGM circulars.

11. Members are requested to notify any changes, if any, relating to their name, address with PIN code, email address, telephone/mobile numbers, Permanent Account

Number (PAN), bank mandates, nominations, power of attorney, etc., to their respective Depository Participants (DPs), in case the shares are held in electronic form. In support of the Green Initiative, Members are also requested to register their email addresses with their respective DPs for electronic holdings and with the Registrar and Transfer Agent (RTA) for physical holdings. Members who have already registered their email addresses are requested to ensure that the same are kept updated/validated with their DPs/RTA for all future communications.

12. SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, and subsequent circulars issued in this regard, has mandated submission of PAN, KYC details (including full address with PIN code, mobile number, email ID, bank details) and nomination details by holders of physical securities through Form ISR-1. Further, to mitigate unintended hardship due to freezing of folios, SEBI, vide Circular dated November 17, 2023, has withdrawn the requirement relating to freezing of folios not complying with PAN, KYC and nomination requirements.

13. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company has discontinued acceptance of requests for transfer of securities held in physical form. Members holding shares in physical form are requested to convert their holdings into dematerialised/electronic form to avail the benefits of dematerialisation.

    Further, Members may note that SEBI has mandated listed companies to process securities only in dematerialised form for service requests such as issuance of duplicate share certificates, claims from Unclaimed Suspense Account, renewal/exchange of certificates, endorsement, sub-division/splitting, consolidation of folios/certificates, transmission, and transposition. Accordingly, Members are requested to submit service requests using the prescribed Form ISR-4/ISR-5. It is further noted that any service request or complaint can be processed only if the folio is KYC compliant.

14. Pursuant to the provisions of Section 72 of the Companies Act, 2013, Members are entitled to make nominations in respect of the shares held by them. Members who have not yet registered their nomination are requested to do so by submitting Form SH-13. In case a Member wishes to opt out of an existing nomination or make a fresh nomination, Form ISR-3 or SH-14, as applicable, may be submitted. The said forms should be submitted to the respective DP in case of dematerialised holdings and to the RTA in case of physical holdings, if any.

15. To prevent fraudulent transactions, Members are advised to exercise due diligence and promptly inform the Company of any change in address or the demise of any Member, as and when applicable. Members are further advised not to keep their demat account(s) inactive for prolonged periods. They should regularly obtain

statements of holdings from their respective Depository Participants (DPs) and verify their holdings from time to time.

16. Members are requested to direct all communications to the Registrar and Share Transfer Agent, M/s KFin Technologies Limited, Karvy Selenium Tower B, Plot No. 31–32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500032, or to the Registered Office of the Company at Office No. 301, Sumukh, 3rd Floor, Vasta Devadi Road, Super Compound, Surat, Gujarat – 395004. For any correspondence, shareholders may also write to the Company's investor email ID at complianceggl@gmail.com.

17. The Board of Directors has appointed M/s. Madhav Upadhyay and Associates, Practicing Company Secretaries (Membership No. ACS 28110|), as the Scrutinizer to conduct the e-voting process in a fair and transparent manner. The Scrutinizer shall submit their report to the Chairman of the Company ("the Chairman") or any other person authorised by the Chairman, after completion of scrutiny of remote e-voting and e-voting at the AGM, within two working days from the conclusion of the e-voting process. The results, along with the Scrutinizer's report, shall be communicated to the Stock Exchange, NSDL, and the RTA, and shall also be placed on the Company's website at www.gautamgems.com.

18. An electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, shall be available for inspection by Members during the AGM. Further, all relevant documents referred to in the Notice of the AGM and the explanatory statement shall also be made available electronically for inspection by Members up to the date of the AGM.

19. SEBI has established a common Online Dispute Resolution (ODR) Portal for resolution of disputes arising in the Indian securities market. Accordingly, after exhausting the option of resolving grievances with the Company/RTA directly and through the SCORES platform, investors may initiate dispute resolution through the ODR Portal at 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 Secret arial St andard on General Meet ings (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. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia 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.

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 Saturday,26th September, 2026 at 09:00 A.M. and ends on Tuesday, 29th September, 2026 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. Thursday, 24th September, 2026 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, 24th September, 2026

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote

	e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.

	NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there 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. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to madhavjupadhyay23@yahoo.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

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

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

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to 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. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE 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.

6. 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 Place: Surat **For and on behalf of the Board of Directors**

Date: 05/06/2026

Gautam Gems Limited

Sd/-	**Sd/-**
Gautam P. Sheth	**Nidhi G. Sheth**
Managing Director	**Director**
DIN: 06748854	**DIN: 06748877**

ANNEXURE TO NOTICE — Profile of Director Seeking Re-appointment (Item No. 2)

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:

Particulars	Details
Name	Mrs. Nidhi Gautam Sheth
Date of Birth	3rd December, 1982
DIN	06748877
Date of First Appointment on Board	18th February, 2014
Qualifications	Bachelor of Home Science
Nature of Expertise	Finance, Treasury Management, Supply Chain Coordination, Diamond Trading Operations, Corporate Compliance, Stakeholder Engagement
Directorship in Other Listed Companies	None
Membership / Chairmanship of Committees in other Listed Companies	None
Relationship with other Directors/KMPs	Spouse of Mr. Gautam Pravinchandra Sheth, Managing Director
No. of Equity Shares held in the Company	1,51,947 Equity Shares
Terms and Conditions of Re-appointment	Re-appointment as Whole-time Director, liable to retire by rotation, as per Articles of Association and Companies Act, 2013; no change in existing terms of remuneration
Last Drawn Remuneration	₹2,00,000 per annum (FY 2025–26)
Information as required under circular No. LIST/COMP/14/ 2018-19 dated June 20, 2018 issued by BSE.	Mrs. Nidhi Sheth is not debarred from holding the office of director by virtue of any SEBI order or any other such authority

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:

The Board of Directors of the Company, at its meeting held on 5th September, 2026, based on the recommendation of the Audit Committee, considered and approved the appointment of **M/s Madhav Upadhyay and Associates, Practicing Company Secretaries**, bearing Certificate of Practice No. 25760 and Peer Review Certificate No. 7426/2025 ("Secretarial Auditor"), as the Secretarial Auditor of the Company for a period of **five (5) consecutive financial years commencing from the financial year 2026-27 and ending with the financial year 2030-31**, subject to the approval of the Members of the Company as the existing secretarial auditor M/s. Neelam Somani & Associates has tendered her resignation.

The proposed appointment is being made pursuant to the provisions of **Section 204 and other applicable provisions of the Companies Act, 2013**, read with the rules made thereunder, and **Regulation 24A and other applicable provisions of the SEBI Listing Regulations**, as amended from time to time.

The Secretarial Audit is intended to provide an independent assessment of the Company's compliance with applicable corporate and securities laws, rules, regulations and other statutory requirements. The Secretarial Auditor will conduct the Secretarial Audit in accordance with the applicable provisions of the Act, rules made thereunder and the Secretarial Standards issued by the Institute of Company Secretaries of India, as applicable.

M/s Madhav Upadhyay and Associates is a firm of Practicing Company Secretaries having the requisite professional expertise and experience in the areas of corporate laws, securities laws, corporate governance, regulatory compliance and allied matters. The firm has represented its willingness to act as Secretarial Auditor of the Company and has confirmed that it satisfies the applicable eligibility requirements for such appointment.

The Company has received the requisite consent and eligibility confirmation from the proposed Secretarial Auditor, including confirmation that the appointment, if made, will be in accordance with the applicable provisions of the Companies Act, 2013, SEBI Listing Regulations and other applicable laws.

The Secretarial Auditor shall be responsible for conducting the Secretarial Audit of the Company and issuing the Secretarial Audit Report in accordance with the applicable statutory and regulatory requirements. The remuneration payable to the Secretarial Auditor, together with applicable taxes and reimbursement of reasonable out-of-pocket expenses, shall be determined by the Board of Directors in consultation with the Audit Committee and mutually agreed with the Secretarial Auditor.

The Board of Directors, based on the recommendation of the Audit Committee, is of the view that the appointment of **M/s Madhav Upadhyay and Associates, Practicing Company Secretaries**, as Secretarial Auditor of the Company for the aforesaid five-year term is in the best interests of the

Company and its Members. The Board accordingly recommends the resolution set out at Item No. 3 of the accompanying Notice for approval of the Members as an **Ordinary Resolution**.

None of the Directors, Key Managerial Personnel of the Company, or their respective relatives is concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their respective shareholding, if any, in the Company.

Details of the Proposed Secretarial Auditor

Particulars	Details
Name of the Secretarial Auditor	M/s Madhav Upadhyay and Associates, Practicing Company Secretaries
Certificate of Practice No.	25760
Peer Review Certificate No.	7426/2025
Proposed period of appointment	Five (5) consecutive financial years
Period	FY 2026-27 to FY 2030-31
Nature of appointment	Secretarial Auditor
Remuneration	As may be determined by the Board in consultation with the Audit Committee and mutually agreed with the Secretarial Auditor, plus applicable taxes and reimbursement of reasonable out-of-pocket expenses
Basis of recommendation	Professional expertise, experience and suitability for undertaking the Secretarial Audit of the Company
Consent and eligibility	Obtained from the proposed Secretarial Auditor, subject to applicable law

The Board recommends the resolution for approval of the Members.

Place: Surat
Date: 05/06/2026

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

Sd/-
Gautam P. Sheth
Managing Director
DIN: 06748854

Sd/-
Nidhi G. Sheth
Director
DIN: 06748877

GAUTAM GEMS LIMITED

BOARD OF DIRECTOR REPORT

FY 2025-26

BOARD'S REPORT

To the Members of Gautam Gems Limited

Your Directors have pleasure in presenting the Thirteenth (13th) Annual Report of Gautam Gems Limited ("the Company") together with the Audited Financial Statements for the financial year ended 31st March, 2026. This report has been prepared incorporating all mandatory disclosure requirements under Section 134 of the Companies Act, 2013 read with Rule 8 and Rule 8(5) of the Companies (Accounts) Rules, 2014 (including the Companies (Accounts) Second Amendment Rules, 2025 effective July 14, 2025), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the SEBI (Prohibition of Insider Trading) Regulations, 2015, and all other applicable laws, rules, and regulations.

1. FINANCIAL SUMMARY AND HIGHLIGHTS

The financial highlights of the Company for the financial year ended 31st March, 2026 compared to the previous year are presented below:

PERFORMANCE HIGHLIGHTS

The financial year 2025–26 witnessed a significant improvement in the operational and financial performance of Gautam Gems Limited. Despite a relatively stable revenue environment and continued challenges in the gems and jewellery sector, the Company achieved substantial growth in profitability through disciplined cost management, improved operational efficiencies, optimized financing costs, and prudent resource utilization.

Revenue Performance

The Company maintained stable business operations during the year, with total income growing by 2.28% over the previous year. The steady revenue performance reflects the Company's continued focus on customer relationships, market presence and efficient execution despite prevailing industry challenges.

Improved Operating Efficiency

A key highlight of the year was the substantial improvement in operating performance. EBITDA increased by 53.48% compared to FY 2024–25, significantly outpacing revenue growth. This resulted in EBITDA margin improving from 1.05% to 1.57%.

The improvement reflects better cost absorption, tighter control over operating expenses and enhanced efficiency across business processes. The Company's continued focus on operational discipline enabled it to convert stable revenues into stronger operating profits.

Financial Discipline and Cost Optimization

The Company continued its emphasis on prudent financial management and efficient utilization of working capital. Finance costs reduced by 21.28% during the year, reflecting better deployment of funds and disciplined management of financing requirements.

The reduction in borrowing costs further strengthened profitability and contributed positively to the overall financial performance of the Company.

Strong Growth in Profitability

Supported by higher operating earnings and lower finance costs, the Company achieved a significant improvement in profitability during the year.

- Profit Before Tax increased by 123.51% over the previous year.

- Profit After Tax registered a robust growth of 146.76%.

- Net Profit Margin improved from 0.36% to 0.87%, reflecting stronger earnings generation from core business operations.

The sharp improvement in margins demonstrates the effectiveness of the Company's strategy of focusing on profitability, operational efficiency and cost rationalization.

Earnings Per Share

The Company's improved financial performance translated into higher returns for shareholders. Earnings Per Share (EPS) increased from ₹0.06 to ₹0.16, representing a growth of 166.67% over the previous year.

Key Financial Achievements

• Revenue from Operations recorded positive growth despite challenging market conditions.

• Total Income increased by 2.28% supported by improved operating performance and higher other income.

• EBITDA grew by 53.48%, significantly outpacing revenue growth and demonstrating improved operational efficiency.

• EBITDA Margin improved from 1.05% to 1.57%.

• Finance Costs reduced by 21.28%, strengthening overall profitability.

• Profit Before Tax more than doubled, increasing by 123.51%.

• Profit After Tax increased by 146.76%, reflecting strong earnings growth.

• Net Profit Margin improved from 0.36% to 0.87%.

• Earnings Per Share increased from ₹0.06 to ₹0.16.

• No exceptional or extraordinary items were recorded during the year, indicating that the profitability improvement was driven entirely by core business operations.

The financial performance achieved during FY 2025–26 reflects the Company's resilience, disciplined execution and commitment to sustainable growth. The significant improvement in profitability, coupled with effective cost control and reduced finance costs, has strengthened the Company's financial position.

The management remains focused on expanding business opportunities, enhancing operational efficiencies, strengthening customer relationships and maintaining prudent financial discipline. With improved earnings momentum and a stronger profitability profile, the Company is well-positioned to capitalize on emerging opportunities and deliver long-term value to its stakeholders.

2. DIVIDEND

The Board of Directors of the Company has not recommended any dividend on equity shares for the financial year ended 31st March, 2026. The Board has decided to retain the profits within the business to strengthen the Company's working capital base, fund working capital optimisation initiatives, and support the development of new markets. This decision is consistent with the Company's approach in prior financial years.

The Company has no fixed/preference share capital outstanding; accordingly, no preference dividend was payable.

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

In accordance with the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, any dividend remaining unpaid or unclaimed for a period of seven consecutive years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

During the financial year under review, there were no unpaid or unclaimed dividend amounts lying with the Company which were required to be transferred to the IEPF. Accordingly, no amount was transferred to the Investor Education and Protection Fund during the year.

4. AMOUNTS PROPOSED TO BE CARRIED TO RESERVES

In accordance with the provisions of the Companies Act, 2013 and considering the Company's present and future business requirements, the Board of Directors has decided not to transfer any amount to the General Reserve for the financial year ended 31st March, 2026.

The profit earned during the year has been retained in the Statement of Profit and Loss and forms part of the retained earnings of the Company. The Board believes that retention of profits will strengthen the Company's financial position, support future growth initiatives, meet working capital requirements, and provide greater financial flexibility for pursuing business opportunities and enhancing long-term shareholder value.

5. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of the business of the Company during the financial year ended 31st March, 2026. The Company continues to be engaged in the manufacturing, import, export and trading of rough and polished diamonds, which is its principal business activity as stated in the Memorandum of Association.

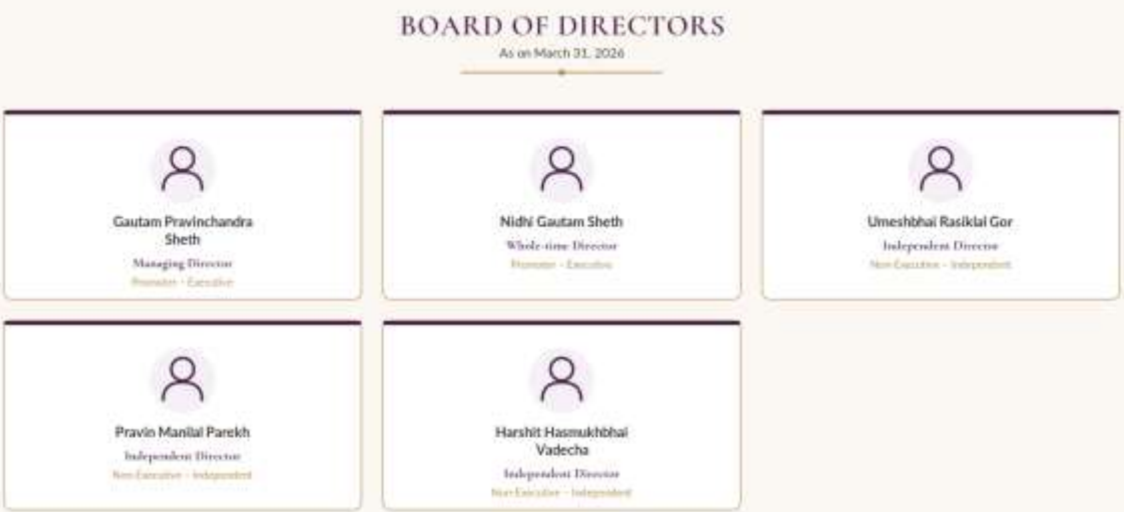
6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2026, the Board of Directors of the Company comprised five (5) Directors, including two Executive Directors (one of whom is a Woman Director) and three Independent Directors. The details relating to the composition of the Board and its Committees, tenure of Directors and other relevant information are provided in the Corporate Governance Report forming part of this Annual Report.

In terms of the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Board has identified the core skills, expertise and competencies required in the context of the Company's business and operations for its effective functioning. The details of such skills, expertise and competencies available with the Board are set out in the Corporate Governance Report forming part of this Annual Report.

Board Composition and Changes in Directorship

During the financial year ended March 31, 2026, there were no changes in the composition of the Board of Directors. No Director was appointed, resigned, retired, removed or otherwise ceased to hold office during the year under review. The Board composition remained unchanged throughout the financial year. The details of the Directors as on March 31, 2026 are as follows:



Re-appointment – Director Retiring by Rotation

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Nidhi Gautam Sheth (DIN: 06748877), Whole-time Director of the Company, retires by rotation at the ensuing 13th Annual General Meeting and, being eligible, has offered herself for re-appointment.

The Board, considering her valuable contribution to the growth of the Company, rich industry experience and continued guidance in the affairs of the Company, recommends her re-appointment for approval of the Members at the ensuing Annual General Meeting.

The requisite disclosures pursuant to Regulation 36 of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2), including a brief profile and other relevant details of Mrs. Nidhi Gautam Sheth, are provided in the Notice convening the Annual General Meeting, which forms part of this Annual Report.

Key Managerial Personnel

Pursuant to the provisions of Sections 2(51) and 203 of the Companies Act, 2013, the following officials were designated as the Key Managerial Personnel ("KMP") of the Company as on March 31, 2026:

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

The composition of the Key Managerial Personnel remained unchanged during the financial year 2025–26. There were no appointments, resignations, cessations or changes in the designation of any Key Managerial Personnel during the year under review. The continuity of the Company's leadership team reflects a stable management structure and supports the effective execution of its business strategies, operational objectives and governance framework.

Declarations by Independent Directors

All the Independent Directors of the Company, namely Mr. Umeshbhai Rasiklal Gor, Mr. Pravin Manilal Parekh and Mr. Harshit Hasmukhbhai Vadecha, 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. The declarations were received at the beginning of the financial year and were noted by the Board at its first meeting held on April 05, 2025, in compliance with Regulation 25(8) of the SEBI Listing Regulations.

The Board of Directors has reviewed the declarations submitted by the Independent Directors and confirms that, in its opinion, each Independent Director fulfils the conditions specified under the Companies Act, 2013 and the SEBI Listing Regulations and is independent of the management. The Board is also satisfied regarding the integrity, expertise and experience (including proficiency) of the Independent Directors.

Further, none of the Independent Directors serves as a member of more than ten committees or acts as Chairperson of more than five committees across all public companies in which he holds directorships, thereby complying with the requirements of Regulation 26(1) of the SEBI Listing Regulations.

7. NUMBER OF BOARD MEETINGS

During the financial year ended 31st March, 2026, seven (7) meetings of the Board of Directors of the Company were held. The intervening gap between any two consecutive Board Meetings did not exceed one hundred and twenty (120) days, as required under Section 173(1) of the Companies Act, 2013. All Board meetings were held physically at the Registered Office of the Company and were conducted in compliance with SS-1 issued by the ICSI.

BOARD MEETINGS CONDUCTED DURING FY 2025–26

7
Board Meetings held during FY 2025–26

100%
Director Attendance

BOARD MEETING ATTENDANCE

FY 2025–26 — 7 Meetings Held

Gautam P. Sheth
Managing Director
7/7 Meetings

Nidhi G. Sheth
Whole-time Director
7/7 Meetings

Umesh R. Gor
Independent Director
7/7 Meetings

Pravin M. Parekh
Independent Director
7/7 Meetings

Harshit H. Vadecha
Independent Director
7/7 Meetings

100% Attendance Recorded by Every Member — 7 Meetings Held in FY 2025–26

Yes = Attended.

The Board recorded 100% attendance at all 7 meetings — a reflection of the commitment of each Director. Further disclosures are included in the Corporate Governance Report attached to this Annual Report.

8. DETAILS OF COMMITTEES OF THE BOARD

In compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Board of Directors has constituted various Committees to assist it in the efficient discharge of its responsibilities and to provide focused oversight on specific areas of governance and business operations.

The Committees function within clearly defined terms of reference approved by the Board. Meetings of the Committees are convened periodically and are generally held on the same day as the Board Meetings or as and when required to effectively discharge their duties and responsibilities.

As on March 31, 2026, the Company had the following statutory Committees of the Board:

a) Audit Committee
b) Nomination and Remuneration Committee
c) Stakeholders' Relationship Committee

The composition of the aforesaid Committees, their terms of reference, details of meetings held during the financial year 2025–26 and attendance of the Committee Members are provided in the Corporate Governance Report forming part of this Annual Report.

During the financial year under review, all recommendations made by the Audit Committee were duly considered and accepted by the Board of Directors.

9. INDEPENDENT DIRECTORS' MEETING

Pursuant to the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on February 13, 2026, without the attendance of Non-Independent Directors and members of the management.

The Independent Directors reviewed the performance of the Board as a whole, the Chairman, Non-Independent Directors and the Committees of the Board. They also assessed the quality, adequacy and timeliness of the flow of information between the management and the Board and expressed satisfaction with the effectiveness of the Company's governance framework and decision-making processes.

10. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Company has implemented a structured Familiarization Programme for its Independent Directors to enhance their understanding of the Company, its business environment, governance framework, and regulatory obligations. The programme encompasses the following key areas:

◆ Overview of the Company's history, business operations, organizational structure, product offerings, and developments in the diamond industry;

◆ Detailed presentations by the management on the Company's financial performance and business operations at Board Meetings;

◆ Periodic updates on significant amendments and developments in applicable laws, regulations, and governance requirements, including the Companies Act, 2013 and SEBI Listing Regulations;

◆ Operational and site-specific briefings, wherever relevant, to provide practical exposure and a deeper understanding of the Company's activities and processes;

◆ Guidance on the roles, responsibilities, duties, rights, and obligations of Independent Directors as prescribed under applicable laws and regulatory frameworks.

The Familiarization Programme, inter alia, includes:

• Comprehensive induction programmes for newly appointed Directors covering the Company's business model, operational framework, group structure, Board composition, and corporate governance practices.

• Continuous updates during Board and Committee Meetings on key business developments, industry trends, regulatory changes, economic conditions, risk management practices, and governance-related matters.

• Access to important corporate documents, policies, codes, and regulatory materials, including the Code of Conduct, internal governance manuals, and statutory guidelines, enabling Directors to effectively understand and discharge their responsibilities.

The Company is committed to ensuring that its Directors remain well-informed about the business and regulatory environment. Continuous familiarization and active engagement support Independent Directors in performing their oversight functions effectively and contribute meaningfully to the Company's sustainable growth, long-term success, and value creation for stakeholders.

Details of the Familiarization Programme conducted during FY 2025–26 are available on the Company's website at https://www.gautamgems.com/cpo.php in accordance with Regulation 46(2)(i) of the SEBI Listing Regulations.

In the opinion of the Board, the Independent Directors possess the requisite integrity, knowledge, expertise, experience, and proficiency necessary to effectively discharge their duties and responsibilities and provide valuable guidance to the Company in the industry and business environment in which it operates.

11. BOARD PERFORMANCE EVALUATION

Pursuant to Section 134(3)(p) of the Companies Act, 2013 and Regulation 17(10) of the SEBI (LODR) Regulations, 2015, the Board carried out an annual formal performance evaluation of the Board of Directors, its Committees, individual Directors (including Independent Directors), and the Chairperson for FY 2025–26.

The evaluation was conducted through a structured process covering key parameters such as Board composition and effectiveness, quality of deliberations, adequacy of information flow, Committee functioning, and individual contribution, participation, and preparedness of Directors. Feedback was obtained from all Directors through structured inputs and discussions.

The Chairperson held separate discussions with Independent Directors, while the Chairperson of the Nomination and Remuneration Committee (NRC) interacted with Executive and Non-Executive Non-Independent Directors. The Independent Directors met separately on 13 January 2026, inter alia, to review the performance of Non-Independent Directors, the Board as a whole, and the Chairperson. The NRC, as well as the Board of Directors, also considered and discussed the evaluation outcomes at their respective meetings held on 13 February 2026.

The performance of individual Directors was assessed by the NRC based on defined criteria, and the outcomes were reviewed by the NRC, Independent Directors, and the Board.

The Board noted that its overall performance, along with that of its Committees and Directors, remained effective and satisfactory during the year.

12. SECRETARIAL STANDARDS COMPLIANCE

The Company has implemented appropriate systems and internal processes to ensure compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), including Secretarial Standard-1 (SS-1) on Meetings of the Board of Directors and Secretarial Standard-2 (SS-2) on General Meetings.

The Board confirms that the systems and processes in place for ensuring compliance are adequate and have operated effectively throughout the financial year under review. The Company remains committed to maintaining and further strengthening its compliance framework in line with applicable Secretarial Standards and good corporate governance practices.

13. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Committee has formulated and the Board has adopted a Nomination and Remuneration Policy in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The salient features of the Policy are as follows:

Criteria for Appointment of Directors

- Directors shall be persons of integrity, with relevant expertise, qualifications, experience and a track record that demonstrates fitness for the role;
- Independent Directors shall additionally meet all criteria of independence prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations;
- The Committee shall evaluate the balance of skills, knowledge and experience on the Board and identify the capabilities required for each Director role before recommending candidates;

- Board diversity in terms of gender, professional background, and experience shall be an objective in all Board appointments.

Criteria for Remuneration of Directors and KMPs

- Executive Directors and KMPs shall receive fixed remuneration (salary, allowances, perquisites) and, where applicable, variable/performance-linked components, within limits approved by shareholders and the Companies Act, 2013;
- Non-Executive Independent Directors shall receive sitting fees for attending Board and Committee meetings within statutory limits; commission if declared by shareholders;
- Remuneration shall be benchmarked against industry standards, company performance, and the individual's contribution;
- No stock options, sweat equity, or ESOPs have been granted to any Director or KMP.

The detailed Nomination and Remuneration Policy is available on the Company's website at https://www.gautamgems.com/cpo.php

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors of Gautam Gems Limited, to the best of their knowledge and belief and based on information and explanations obtained from the management, hereby states and confirms:

(a) That in the preparation of the Annual Financial Statements for the financial year ended 31st March, 2026, the applicable Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 have been followed, and there are no material departures from the said standards;

(b) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2026 and of the profit of the Company for the financial year ended on that date;

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

(d) That the Directors have prepared the Annual Financial Statements on a going concern basis;

(e) That the Directors have laid down adequate internal financial controls to be followed by the Company and that such internal financial controls are adequate

and were operating effectively during the financial year ended 31st March, 2026; and

(f) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively throughout the financial year ended 31st March, 2026.

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

The Company has ensured compliance with the provisions of Section 164(2) of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014. In this regard, necessary declarations in Form DIR-8 have been received from all Directors of the Company during the financial year, confirming that they are not disqualified from being appointed or continuing as Directors of the Company.

Based on the declarations received and records available with the Company, the Board confirms that none of the Directors is disqualified to hold office as a Director under the applicable provisions of the Companies Act, 2013. The Company continues to maintain appropriate checks and compliance mechanisms to ensure ongoing adherence to statutory requirements relating to eligibility of Directors.

16. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has established an internal financial controls system commensurate with the nature, size and complexity of its business. Key elements of the internal control framework include:

- Maker-checker controls on all financial transactions including purchase invoices, sales invoices, and payment vouchers;
- Regular bank reconciliations and ledger verifications performed weekly;
- Management Information System (MIS) reports reviewed by the CFO and MD;
- Internal Audit conducted by the appointed Internal Auditor with direct reporting to the Audit Committee;
- Annual Statutory Audit by M/s. Shah Karia & Associates, Chartered Accountants with review of internal financial controls under Section 143(3)(i);
- Pre-approval controls for capital expenditure and non-routine transactions above defined thresholds;
- Compliance calendar maintained by the Company Secretary for all regulatory filings.

Based on the assessment by the CFO and reviews by the Audit Committee and Statutory Auditors, the Board confirms that the Company's internal financial controls were adequate and operating effectively during FY 2025–26. No material weaknesses were identified during the year.

17. CORPORATE GOVERNANCE

The Company places significant emphasis on maintaining high standards of Corporate Governance, which form an integral part of its business philosophy and operational framework. In accordance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in compliance with Regulations 17 to 27 and Regulation 46, along with the applicable provisions of Schedule V, a detailed Corporate Governance Report for the financial year ended 31st March, 2026 has been prepared and is included as part of this Annual Report.

The said Report provides a comprehensive overview of the Company's governance framework and practices, including but not limited to the composition and functioning of the Board of Directors and its Committees, frequency and conduct of meetings, attendance of Directors, roles and responsibilities of various Committees, and the effectiveness of governance mechanisms adopted by the Company. It further includes disclosures relating to Board evaluation, familiarisation programmes for Directors, remuneration details, related party transactions, risk management framework, stakeholder engagement, and other investor-related information as required under applicable regulations.

In addition, the Corporate Governance Report also sets out details of the skill sets and core competencies of the Board, the policy framework adopted by the Company, and the status of compliance with applicable statutory and regulatory requirements, thereby reflecting the Company's continued commitment to transparency, accountability, and ethical conduct in all aspects of its operations.

Further, a Certificate issued by a Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and certifying that none of the Directors have been debarred or disqualified from being appointed or continuing as Directors by the Securities and Exchange Board of India or the Ministry of Corporate Affairs, is annexed to the Corporate Governance Report forming part of this Annual Report.

18. ANNUAL RETURN – WEB ADDRESS

Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Annual Return of the Company for the financial year ended 31st March, 2026 is required to be placed on the website of the Company.

Accordingly, the draft Annual Return for FY 2025–26 shall be made available on the Company's website, for the information of the members. The final Annual Return shall be filed with the Registrar of Companies, Gujarat, Ahmedabad, within the prescribed statutory timelines after the conclusion of the Annual General Meeting.

The Annual Return shall be accessible at the following web address:

https://www.gautamgems.com/Annual-Report-Annual-Return%20.php

The Company ensures compliance with the applicable provisions of the Companies Act, 2013 and continues to facilitate transparency and accessibility of statutory filings through its official website.

19. AUDITORS

STATUTORY AUDITORS AND AUDITORS' REPORT

Statutory Auditors

Pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, every company is required to appoint Statutory Auditors to conduct the audit of its financial statements and provide an independent opinion thereon.

Accordingly, the Statutory Auditors of the Company, M/s. AKGVG & Associates, completed their term upon the conclusion of the 12th Annual General Meeting of the Company in accordance with the applicable provisions of law.

In view of the completion of the aforesaid term, and based on the recommendation of the Audit Committee, the Board of Directors proposed the appointment of M/s. Shah Karia & Associates, Chartered Accountants, as the Statutory Auditors of the Company for a term of five consecutive years.

The Members of the Company, at their 12th Annual General Meeting held on September 27, 2026, approved the appointment of M/s. Shah Karia & Associates as the Statutory Auditors of the Company to hold office from the conclusion of the 12th Annual General Meeting until the conclusion of the 17th Annual General Meeting, in accordance with the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder.

The Statutory Auditors are responsible for conducting the audit of the financial statements of the Company and expressing an independent opinion thereon in accordance with applicable auditing standards and regulatory requirements. Their audit ensures that the financial statements present a true and fair view of the Company's financial position, performance, and cash flows.

Statutory Audit Report

The Auditors' Report on the financial statements of the Company for the financial year ended March 31, 2026, issued by M/s. Shah Karia & Associates, Statutory Auditors, forms an integral part of this Annual Report.

The Statutory Auditors have conducted the audit in accordance with the provisions of the Companies Act, 2013, applicable Accounting Standards, and the Standards on Auditing specified under Section 143(10) of the Act, and have expressed an unmodified opinion on the financial statements of the Company for the year under review.

The Auditors' Report does not contain any qualifications, adverse remarks, or disclaimers.

However, the report includes certain matters and observations which are self-explanatory in nature and do not call for any further clarification or explanation. The Board has duly noted the same and confirms that appropriate disclosures, wherever required, have already been made in the financial statements and accompanying notes.

The Board places on record its appreciation for the professional services rendered by the Statutory Auditors in conducting the audit in an independent and objective manner.

SECRETARIAL AUDITORS AND REPORTS:

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 ("Act"), 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 ("SEBI Listing Regulations"), as amended from time to time, the Company is required to undertake Secretarial Audit through a Practicing Company Secretary for every financial year.

Based on the approval of the Members at the previous Annual General Meeting, M/s. Neelam Somani & Associates, Practicing Company Secretaries, was appointed as the Secretarial Auditor of the Company for a term of five consecutive financial years commencing from FY 2025–26 up to FY 2029–30.

However, after the closure of financial year, M/s. Neelam Somani & Associates, Practicing Company Secretaries, resigned as the Secretarial Auditor of the Company with effect from 5th September, 2026. The resignation was duly considered and taken on record by the Board of Directors. The Company has received the requisite communication from the outgoing Secretarial Auditor stating the reasons for resignation.

Consequent upon the resignation, and based on the recommendation of the Audit Committee, the Board of Directors appointed M/s. Madhav Upadhyay and Associates, Practicing Company Secretaries, bearing Certificate of Practice No. 25760 and Peer Review Certificate No. 7426/2025, as the Secretarial Auditor of the Company for the one term of 5 consecutive financial year, subject to the approval of the Members, wherever required, in accordance with the applicable provisions of the Act and the SEBI Listing Regulations.

M/s. Madhav Upadhyay and Associates has confirmed its consent and eligibility to act as the Secretarial Auditor of the Company and has confirmed that it satisfies the applicable eligibility criteria and is not disqualified from being appointed as Secretarial Auditor under the Act, the SEBI Listing Regulations and other applicable laws. The firm has also confirmed compliance with the applicable peer review requirements.

The Board of Directors, based on the recommendation of the Audit Committee, is of the opinion that the appointment of M/s. Madhav Upadhyay and Associates, Practicing Company Secretaries, is in the best interests of the Company and its stakeholders.

The Secretarial Audit Report for the financial year under review, as issued by the Secretarial Auditor, forms part of this Annual Report. The observations, qualifications, reservations or adverse remarks, if any, contained in the Secretarial Audit Report, along with the management's response thereto, have been appropriately disclosed in this Annual Report.

The Board places on record its appreciation for the professional services rendered by M/s. Neelam Somani & Associates during their tenure as the Secretarial Auditor of the Company and welcomes M/s. Madhav Upadhyay and Associates as the Secretarial Auditor of the Company.

Secretarial Audit Report

Pursuant to Section 204 of the Companies Act, 2013, the Secretarial Audit Report in Form MR-3 for the financial year ended March 31, 2026, issued by M/s. Neelam Somani & Associates the Secretarial Auditor, forms an integral part of this Annual Report and is annexed herewith as "Annexure A".

The Report provides an independent assessment of the Company's compliance with applicable provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable corporate and securities laws in force during the year under review.

The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks, or observations.

The Board has taken note of the Report and confirms that the Company continues to maintain a strong compliance framework. The Management remains committed to further strengthening its systems and ensuring continued adherence to all applicable statutory and regulatory requirements in a timely and effective manner.

COST AUDIT

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the requirement relating to maintenance of cost records and appointment of a Cost Auditor is applicable only to such companies engaged in specified industries and meeting the prescribed thresholds under the said rules.

During the financial year under review, the Company was not covered under the categories prescribed for maintenance of cost records. Accordingly, the provisions relating to maintenance of cost records and appointment of a Cost Auditor were not applicable to the Company.

The Company confirms that its business operations do not fall within the sectors or thresholds mandating cost audit compliance. As a result, no cost audit was conducted during the year.

INTERNAL AUDITOR

In accordance with Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, and based on the recommendation of the Audit Committee, the Board of Directors has appointed Mr. Dishant Daxeshbhai Jagad as the Internal Auditor of the Company for the financial years 2025–25 and 2025–26 and further based on recommendation of Audit Committee re appointed in the meeting of board of directors held on 5th September, 2026 for further period of 2 years financial year 2026-27 and 2027-28.

He has more than seven years of professional experience in the areas of accounting, taxation, and statutory compliance, which supports the effective execution of internal audit responsibilities in alignment with the Company's governance standards and internal control framework.

The internal audit function has been structured to provide an independent evaluation of financial and operational processes, including compliance with applicable legal requirements and the adequacy of internal controls. The Audit Committee, in coordination with the Internal Auditor, determines the audit coverage, frequency, and approach, ensuring a comprehensive risk-based review.

The Internal Auditor submits periodic reports to the Management and the Audit Committee, which examines the observations and ensures implementation of necessary corrective measures to enhance the Company's control environment and governance practices.

REPORTING OF FRAUDS BY AUDITORS

During the financial year ended 31st March, 2026, the Statutory Auditors (M/s. Shah Karia & Associates , Chartered Accountants), the Secretarial Auditor, and the Internal Auditor have not reported any instances of fraud committed against the Company by its officers or employees under Section 143(12) of the Companies Act, 2013 to the Audit Committee or the Board of Directors. Accordingly, there are no details required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

20. RELATED PARTY TRANSACTIONS

The Board of Directors has adopted a Policy on Related Party Transactions in compliance with the provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy lays down the framework for identification, approval, monitoring and reporting of Related Party Transactions and is available on the Company's website at www.gautamgems.com.

All Related Party Transactions entered into by the Company during FY 2025–26 were conducted in the ordinary course of business and on an arm's length basis in compliance with Section 188 of the Companies Act, 2013, Regulation 23 of the SEBI Listing Regulations, and the Company's Related Party Transaction Policy.

There were no materially significant Related Party Transactions that may have a potential conflict with the interests of the Company at large, or that required prior approval of shareholders under Section 188(1) of the Companies Act, 2013 read with Regulation 23(4) of the SEBI Listing Regulations. Omnibus approval of the Audit Committee was obtained as required.

Form AOC-2 — Summary of Related Party Transactions

As required under Rule 8(2) of the Companies (Accounts) Rules, 2014 read with Section 134(3)(h) of the Companies Act, 2013, the details of contracts/arrangements entered into with related parties as referred to in Section 188(1) are disclosed in Form AOC-2 annexed herewith as Annexure – B.

Key Related Party Transactions during FY 2025–26 (at arm's length, in ordinary course):

◆ Director Remuneration: Paid to Mr. Gautam Pravinchandra Sheth (MD) – ₹3,00,000; Mrs. Nidhi Gautam Sheth (WTD) – ₹2,00,000 (approved by shareholders)

◆ Director Loans: Loans received from Director(s) for working capital purposes – details in Notes to Financial Statements

◆ All transactions were pre-approved by the Audit Committee under omnibus approval framework

No materially significant RPT was entered into that required shareholder approval under Section 188(1) or Regulation 23(4) SEBI LODR.

Further, in compliance with Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has duly submitted disclosures of related party transactions on a half-yearly basis to the stock exchanges.

21. DEPOSITS

Particulars	Status / Amount
Deposits accepted during FY 2025–26	Nil
Deposits remaining unpaid or unclaimed as at 31 March 2026	Nil
Default in repayment of deposits or interest thereon	Nil
Deposits accepted not in compliance with requirements of Chapter V	Not applicable – no deposits accepted

Particulars	Status / Amount
Unclaimed deposits required to be transferred to IEPF	Not applicable – no deposits ever accepted

The Company has not accepted any deposits from the public or members within the meaning of Sections 73 to 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, during the financial year 2025–26 or in any previous year.

22. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2026, the Company does not have any subsidiary, associate company, or joint venture. Further, during the financial year 2025–26, no company became or ceased to be a subsidiary, associate, or joint venture of the Company. Accordingly, the statement in Form AOC-1 containing salient features of the financial statements of subsidiaries/associates under Section 129(3) of the Companies Act, 2013 is not required to be annexed.

However, the Board of Directors had approved an Overseas Direct Investment (ODI) proposal in respect of AG Corporation Ltd., with the intention to establish it as a Wholly-Owned Subsidiary of the Company through subscription to equity shares amounting to GBP 1,00,000.

As on the date of this Report, the remittance towards the said investment is yet to be completed. Accordingly, AG Corporation Ltd. has not yet been recognised as a subsidiary of the Company. Upon completion of the investment and fulfilment of all applicable regulatory requirements, the Company shall appropriately update its disclosures in accordance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Foreign Exchange Management Act (FEMA) regulations, and other applicable laws.

The Company remains committed to ensuring full compliance with all applicable regulatory requirements in relation to the proposed overseas investment.

23. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility (CSR) are not applicable to Gautam Gems Limited for the financial year ended March 31, 2026, as the Company does not meet any of the prescribed threshold criteria under Section 135(1) of the Act.

The position of the Company with respect to the applicability thresholds is summarised below:

Criterion	Applicable Threshold	Company's position (FY 2024–25)	Status
Net Worth	₹500 crore or more	₹51.27 crore	Not met
Turnover	₹1,000 crore or more	₹78.34 crore	Not met

Criterion	Applicable Threshold	Company's position (FY 2024–25)	Status
Net Profit (any preceding 3 years)	₹5 crore or more	₹0.28 crore	Not met

Since the Company does not meet any of the above criteria, the CSR provisions have not been triggered for the year under review. Accordingly, the Company is not required to constitute a CSR Committee, formulate a CSR Policy, or incur CSR expenditure during the financial year 2025–26.

The Company remains committed to complying with the provisions of Section 135 of the Companies Act, 2013 as and when the same becomes applicable in future years and will take appropriate steps for constitution of the CSR Committee and adoption of a CSR Policy at the relevant time.

24. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186(4) of the Companies Act, 2013, particulars of loans given, investments made, guarantees given and securities provided are disclosed in the Notes to the Standalone Financial Statements forming part of this Annual Report, which is the prescribed mode of disclosure.

Particulars	FY 2025–26	FY 2024–25
Loans given to any party (other than in ordinary course)	Nil	Nil
Guarantees given on behalf of any other company	Nil	Nil
Securities provided in connection with loans to others	Nil	Nil
Investments made in securities of other bodies corporate	Nil	Nil
Director Loans received by the Company	Yes – disclosed in Notes to Financial Statements	Yes – disclosed in Notes

The Company has received loans from Director(s) which are at arm's length and on terms approved by the Board. The details are disclosed in the Related Party notes to the Financial Statements.

25. STATEMENT OF EMPLOYEES AND REMUNERATION DETAILS (SECTION 197)

Remuneration and Particulars of 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 requisite disclosures relating to remuneration of Directors and employees, including the ratio of remuneration of each Director to the median remuneration of employees and other prescribed details, are provided in a separate statement annexed to this Report as **Annexure C**.

Further, during the financial year 2025–26, none of the employees of the Company received remuneration in excess of the limits prescribed under Rule 5(2) of the said Rules. Accordingly, the disclosure requirements under Rule 5(2) are not applicable to the Company for the year under review.

Managerial Remuneration

In accordance with Section 197(14) of the Companies Act, 2013, where a Managing Director or Whole-time Director of a company receives remuneration or commission from a subsidiary company, disclosure of such remuneration is required to be made in the Board’s Report.

Since Gautam Gems Limited does not have any subsidiary company as on March 31, 2026, the provisions of Section 197(14) are not applicable to the Company for the financial year 2025–26.

Accordingly, no Managing Director or Whole-time Director of the Company has received any remuneration or commission from any subsidiary company during the year under review, and no disclosure is required in this regard.

26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNALS

During the financial year ended 31st March, 2026, no significant or material order was passed by any Regulator (including SEBI, ROC, RBI, IEPF Authority), Court (including High Courts, Supreme Court), or Tribunal (including NCLT, NCLAT, SAT) which may impact the going concern status of the Company or materially affect the Company's operations or financial position in future.

There are no pending litigation or disputes as on 31st March, 2026 that could materially affect the Company's financial position except those disclosed in the Notes to the Financial Statements. No penalties or strictures have been imposed by BSE, SEBI, or any other statutory authority on any matter related to capital markets.

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

Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the relevant particulars relating to conservation of energy, technology absorption, and foreign exchange earnings and outgo, as applicable to the operations of the Company, are set out in the prescribed format and form part of this Report as **Annexure D**.

28. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE — POSH DISCLOSURE

The Company has complied with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereunder. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace and has constituted an Internal Complaints Committee (ICC) in accordance with the requirements of the POSH Act. The Policy creates a safe, respectful and inclusive work environment for all employees.

POSH Mandatory Disclosure — FY 2025–26
[Section 22, POSH Act 2013 & 2025 Amendment Requirements]

(a) Number of complaints of sexual harassment received during the financial year 2025–26: NIL

(b) Number of complaints disposed of during the financial year 2025–26: NIL

(c) Number of cases pending for more than 90 days as on 31 March 2026: NIL

(d) Number of workshops / awareness programmes held against sexual harassment: 1

(Description: Employee sensitisation session on POSH Act provisions and Company Policy, held during FY 2025–26)

(e) Nature of action taken by employer in complaints received: Not Applicable (Nil complaints)

29. VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism and Whistle Blower Policy in compliance with Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations. The Policy provides a confidential and anonymous channel for Directors, employees, contractors and other stakeholders to report concerns about:

- Actual or suspected unethical behaviour, misconduct, or violation of the Company's Code
- of Conduct;
- Actual or suspected fraud or financial irregularities;
- Violations of applicable laws, rules or regulations;

- Matters relating to improper or unauthorised use of Company assets or funds.

The Chairperson of the Audit Committee (Mr. Umeshbhai Rasiklal Gor) is the designated authority for receiving and reviewing disclosures made under this Policy. No person is victimised, discriminated against, or penalised for raising concerns in good faith. During FY 2025–26, no complaint was received through the Vigil Mechanism. The Policy is available at https://www.gautamgems.com/cpo.php.

30. RISK MANAGEMENT PRACTICES AND BOARD OVERSIGHT

In an increasingly dynamic business environment characterized by evolving regulatory requirements, technological advancements, changing market conditions, and global economic uncertainties, the Company remains committed to strengthening its enterprise-wide risk management practices. Effective risk management continues to be an integral component of the Company's governance framework and strategic decision-making process.

The Board of Directors recognizes that prudent risk management is essential for achieving long-term business objectives, safeguarding stakeholder interests, preserving organizational value, and enhancing operational resilience. Accordingly, the Company has adopted a comprehensive approach towards identifying, evaluating, monitoring, and managing risks across all levels of the organization.

The risk management framework is designed to provide a structured methodology for assessing both existing and emerging risks that may impact the Company's strategic priorities, financial performance, operational efficiency, reputation, compliance obligations, and sustainability initiatives. The framework facilitates continuous evaluation of risk exposures and supports timely implementation of appropriate mitigation measures.

During the year under review, the Company undertook periodic assessments of various business risks arising from factors such as market volatility, regulatory developments, technological disruptions, cybersecurity concerns, supply chain dependencies, financial exposures, and other external and internal business challenges. Management continues to monitor these risk areas through established control mechanisms and review processes to ensure that potential threats are identified and addressed proactively.

The Company's Risk Management Policy provides guiding principles for risk governance and establishes procedures for risk identification, assessment, prioritization, reporting, and mitigation. The policy seeks to embed a culture of risk awareness across the organization and encourages responsible decision-making while balancing growth opportunities with appropriate risk considerations.

Risk management is integrated with the Company's business planning and performance management processes, enabling management to align risk responses with strategic objectives. Periodic reviews are conducted to evaluate the effectiveness of internal controls and risk mitigation measures, ensuring that the Company's risk profile remains within acceptable parameters as determined by the Board from time to time.

The Board regularly reviews significant risks affecting the business and oversees the implementation of corrective and preventive measures wherever considered necessary. This ongoing oversight enhances the Company's ability to respond effectively to changing business conditions and strengthens organizational preparedness against potential uncertainties.

Further details regarding key risks, opportunities, industry developments, and the measures adopted by the Company to address such risks are discussed in the Management Discussion and Analysis Report forming part of this Annual Report.

Pursuant to Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requirement for constitution of a Risk Management Committee is applicable only to the top 1,000 listed entities based on market capitalization as on the end of the immediately preceding financial year. As the Company does not fall within the said category, the provisions relating to the constitution of a Risk Management Committee are presently not applicable to the Company.

31. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed Management Discussion and Analysis (MDA) Report for the financial year ended 31st March, 2026, prepared in compliance with Regulation 34(2)(e) read with Schedule V of the SEBI Listing Regulations, forms part of this Annual Report. The MDA Report covers the following areas:

- Global and Indian macroeconomic environment and diamond industry outlook;
- Company business operations, revenue performance and profitability analysis;
- Financial condition including balance sheet review, working capital management and cash flows;
- Opportunities, challenges, risks and threats facing the Company;
- Internal control systems and their adequacy;
- Human resources and organisational development;
- Environmental responsibility and ESG initiatives;
- Shareholder information and market data;
- Outlook and strategic direction for FY 2026–27.

The Management Discussion and Analysis Report for the financial year ended March 31, 2026, is annexed to this Report as “Annexure E”

32. PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

The Company continues to operate as a going concern with a stable financial and operational framework. During the year under review, no proceedings were initiated by or against the Company under the Insolvency and Bankruptcy Code, 2016. Further, no insolvency resolution, liquidation, bankruptcy, or related proceedings are pending against the Company as on the date of this Report.

33. DISCLOSURE IN RESPECT OF ONE-TIME SETTLEMENT WITH BANKS OR FINANCIAL INSTITUTIONS

During the financial year under review, the Company has not entered into any one-time settlement arrangement with any bank or financial institution in relation to outstanding borrowings. Accordingly, the requirement to disclose the details of the difference between the valuation of assets at the time of obtaining the loan and at the time of the one-time settlement, as prescribed under applicable laws, is not applicable to the Company.

34.SHARE CAPITAL AND CAPITAL STRUCTURE

During the financial year under review, there has been no change in the issued, subscribed, or paid-up share capital of the Company, and the capital structure of the Company has remained stable and unchanged throughout the year.

It is pertinent to note that in the financial year 2024–25, the Members of the Company, at the Annual General Meeting held on September 30, 2024, had accorded their approval for an increase in the Authorised Share Capital of the Company. Pursuant to the said approval, the Authorised Share Capital was proposed to be enhanced from ₹50,35,00,000 (Rupees Fifty Crore Thirty-Five Lakh only), divided into 5,03,50,000 (Five Crore Three Lakh Fifty Thousand) equity shares of ₹10/- each, to ₹75,35,00,000 (Rupees Seventy-Five Crore Thirty-Five Lakh only), divided into 7,53,50,000 (Seven Crore Fifty-Three Lakh Fifty Thousand) equity shares of ₹10/- each.

The necessary procedural and statutory formalities required to give effect to the aforesaid increase in Authorised Share Capital are presently in the process of completion. Pending completion of such filings and compliances with the relevant regulatory authorities, the revised capital structure has not yet been fully given effect in the records as of the reporting date.

Further

(i) Shares with Differential Voting Rights

The Company has not issued any equity shares with differential voting rights as to dividend or voting pursuant to Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014.

(ii) Sweat Equity Shares

The Company has not issued any sweat equity shares during the financial year 2025–26.

(iii) Employee Stock Options (ESOPs)

The Company has not established any ESOP scheme. No employee stock options were granted, vested, exercised or lapsed during FY 2025–26.

Accordingly, as at the end of the current financial year, there has been no alteration in the issued, subscribed, and paid-up share capital of the Company, and the Company continues to maintain the same capital base as was existing in the previous reporting period.

35. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requirement to include a Business Responsibility and Sustainability Report (BRSR) as part of the Annual Report is applicable to the top 1,000 listed entities, determined on the basis of market capitalisation as at the end of the immediately preceding financial year.

The Company, during the financial year under review, does not fall within the category of the top 1,000 listed entities as specified under the aforesaid regulation. Accordingly, the mandate relating to preparation and disclosure of the Business Responsibility and Sustainability Report is not applicable to the Company for the current financial year.

The Company continues to monitor regulatory developments and shall ensure compliance with the said requirement as and when it becomes applicable in future periods.

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

In accordance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to disclose any material changes and commitments, if any, affecting its financial position which have occurred between the end of the financial year and the date of this Report.

It is hereby confirmed that, subsequent to the close of the financial year, there have been no material changes or commitments which have occurred that may have an impact on the financial position of the Company or its operations. No significant events, transactions, or developments have taken place during the intervening period which are required to be disclosed under the applicable regulatory framework.

Accordingly, the financial position of the Company as at the end of the reporting period continues to remain unchanged, and there are no post balance sheet events that warrant disclosure or that would have a material bearing on the performance or affairs of the Company.

37. POLICIES

The Company has adopted various policies and frameworks in accordance with the requirements of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws. These policies provide guidance on key aspects of governance, compliance, risk management, stakeholder engagement and ethical business conduct.

The Board periodically reviews the effectiveness and adequacy of the policies to ensure their continued relevance in light of regulatory developments, operational requirements and evolving governance standards. During the year under review, the Company continued to strengthen its compliance and governance framework through the effective implementation of its policies and procedures.

All the applicable policies of the Company are available under the "Codes, Policies & Others" section of the "Investor" tab on the Company's website at www.gautamgems.com and can be accessed by the stakeholders.

38. MATERNITY BENEFIT ACT, 1961 – COMPLIANCE STATEMENT

The Company is committed to providing a safe, supportive and inclusive workplace for all its employees. During the financial year under review, the Company has complied with the provisions of the Maternity Benefit Act, 1961, as amended from time to time. The Company continues to extend maternity benefits and related facilities to eligible employees in accordance with the applicable statutory requirements.

39. CODE OF CONDUCT

Your Company is committed to maintaining the standards of ethical conduct, integrity and corporate governance. In compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Code of Conduct applicable to all Directors and Senior Management Personnel.

The Code of Conduct provides guidance on ethical business practices, compliance with applicable laws and regulations, avoidance of conflicts of interest, protection of confidential information, and maintaining transparency and accountability in all business dealings. The Company continues to promote a culture of honesty, responsibility and ethical behaviour across the organization.

During the year under review, all Directors and Senior Management Personnel have complied with the provisions of the Code of Conduct and have provided the necessary annual affirmations to this effect. The Board believes that adherence to the Code plays a vital role in strengthening stakeholder confidence and fostering sustainable business practices.

The Code of Conduct is available on the website of the Company at https://www.gautamgems.com/cpo.php

40. ACKNOWLEDGEMENTS

Your Directors place on record their sincere gratitude to the Members, Bankers, Customers, Suppliers, Business Partners, Regulatory Authorities (Ministry of Corporate Affairs, SEBI, BSE Limited, ROC Gujarat, RBI, GJEPC), and Employees of Gautam Gems Limited for their continued trust, support, and partnership. The collective commitment of the team, the loyalty of customers, the support of bankers, and the confidence of shareholders remain the pillars of the Company's sustained progress.

Place: Surat
Date: 05/06/2026

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

Sd/-	**Sd/-**
Gautam P. Sheth	**Nidhi G. Sheth**
Managing Director	**Director**
DIN: 06748854	**DIN: 06748877**

ANNEXURE A- TO THE DIRECTOR'S REPORT

SECRETARIAL AUDIT REPORT

CS

Neelam Somani & Associates

COMPANY SECRETARIES

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FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration 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 the information and explanation received 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 **31st March, 2026** 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

Based on the information and explanation received, the company has maintained 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 **31st March 2026** 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 Byelaws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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(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 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 Act mentioned, 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

(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

CS
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COMPANY SECRETARIES
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(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. The Company has entered several related party transactions during the year under review which as per the information and explanation received are in the ordinary course of Business and at Arm's Length.

Para Second:

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

(i) Secretarial Standards regarding 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 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.

- 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.

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- 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.

NEELAM RATHI
Digitally signed by NEELAM RATHI
Date: 2026.09.05 17:40:53 +05'30'

NEELAM RATHI
Company Secretaries
Peer Review Cert No.: 5612/2024
FCS: 10993 | COP No.: 12454
ICSI UDIN: F010993H001389799
05th September 2026 | Ahmedabad

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.

CS
Neelam Somani & Associates
COMPANY SECRETARIES

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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. My responsibility is to express an opinion on these secretarial records, standards, and procedures followed by the Company with respect to secretarial compliances.

3. I have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.

4. I 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, I 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, I 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. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

NEELAM RATHI Digitally signed by NEELAM RATHI Date: 2026.09.05 17:41:20 +05'30'

NEELAM RATHI
Company Secretaries
Peer Review Cert No.: 5612/2024
FCS: 10993 | COP No.: 12454
ICSI UDIN: F010993H001389799
5th September 2026 | 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, 2026

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, 2026

(₹ In Lakhs)

Sr. No.	Name(s) of the related party	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**	Managing Director	Unsecured Loan Acceptance	1 Year	985.44	5th April, 2025	NA
2.	**Gautam P. Sheth**	Managing Director	Unsecured Loan Repayment	1 Year	1,088.31	5th April, 2025	NA
3.	**Kanchanben P Sheth**	Relative of KMP and Director	Unsecured Loan Acceptance	1 Year	0.20	5th April, 2025	NA
4.	**Gautam P. Sheth**	Managing Director	Remuneration	1 Year	3.00	5th April, 2025	NA
5.	**Nidhi G. Sheth**	Executive Director	Remuneration	1 Year	2.00	5th April, 2025	NA

6.	**Nidhi G. Sheth**	Executive Director	Unsecured Loan Acceptance	1 Year	8.67	5th April, 2025	NA
7.	**Nidhi G. Sheth**	Executive Director	Unsecured Loan Repayment	1 Year	2.94	5th April, 2025	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: 05/06/2026

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

Sd/-
Gautam P. Sheth
Managing Director
DIN: 06748854

Sd/-
Nidhi G. Sheth
Director
DIN: 06748877

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 2025–26

(₹ in Lakhs)

Sr. No.	Name of Director*	Designation	Ratio to Median Remuneration
1	Mr. Gautam P. Sheth	Managing Director	1.07
2	Mrs. Nidhi G. Sheth	Whole Time Director	0.43

**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	N.A
2	Mrs. Nidhi G. Sheth	Whole Time Director	N.A
3	Mr. Dishant Daxeshbhai Jagad	Chief Financial Officer	48%
4	Ms. Krina Thakkar	Company Secretary	N.A

III. Percentage increase in median remuneration: **133.56%**

IV. Number of permanent employees **on the rolls as on March 31, 2026: 13 (Thirteen)**

V. Average percentage increase **in salaries of employees (excluding managerial personnel): 85.47%. 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: 05/06/2026

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

Sd/-	**Sd/-**
Gautam P. Sheth	**Nidhi G. Sheth**
Managing Director	**Director**
DIN: 06748854	**DIN: 06748877**

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, 2026

A. Conservation of Energy

(i) Steps taken for Conservation of Energy and Impact

- LED Lighting: The Company has transitioned to energy-efficient LED lighting fixtures at its Registered Office, reducing electricity consumption for lighting by an estimated 25–30% compared to conventional fluorescent lighting.
- HVAC Management: Air conditioning systems are regulated to a minimum temperature setting of 24°C and operate only during active business hours with automatic shut-off post-shift.
- Paperless Operations: Digital documentation, e-invoicing, and electronic filings have significantly reduced energy consumption from printing, photocopying and physical record management.
- Natural Light Optimisation: Office workstations are arranged to maximise use of natural daylight, reducing reliance on artificial lighting during peak daylight hours.
- Equipment Management: All electrical equipment including computers, monitors, and printers are configured to enter energy-saving/sleep mode after 5 minutes of inactivity.

(ii) Steps taken for utilising alternate sources of energy

The Company is not presently using alternative energy sources such as solar power; however, it remains open to exploring and assessing such options in the future as part of its ongoing commitment to sustainability.

(iii) Capital Investment in Energy Conservation Equipment

No major capital investment was made specifically in energy conservation equipment during FY 2025–26.

B. Technology Absorption

(i) Efforts made towards Technology Absorption, Adaptation and Innovation

- Accounting & ERP: The Company operates on advanced accounting software with integrated modules for GST compliance, e-invoicing, e-way bill generation, and financial reporting. System upgrades were implemented to comply with the MCA V3 portal requirements.
- Digital Communication: Corporate website (www.gautamgems.com) has been updated with enhanced investor relations disclosures in compliance with SEBI Listing Regulations.
- Secretarial Technology: Digital signature infrastructure (DSC), BSE Listing Centre electronic filings, and NSDL/CDSL depository interfaces are fully operational.

(ii) Benefits derived as a result of technology absorption

- Improved accuracy and speed of financial reporting, reducing quarter-close timelines
- Enhanced compliance monitoring through automated GST reconciliation tools
- Reduced operational costs through elimination of manual processes
- Strengthened investor relations through timely digital disclosures

(iii) Technology imported during last 3 years

No technology has been imported by the Company during the last three financial years (FY 2023–24, FY 2024–25 and FY 2025–26).

(iv) Expenditure on Research and Development (R&D)

The Company is engaged in trading and manufacturing of diamonds and does not undertake formal Research and Development (R&D) activities. No expenditure on R&D was incurred during FY 2025–26. This disclosure under Rule 8(3)(b) is accordingly stated as Not Applicable.

C. Foreign Exchange Earnings and Outgo

Particulars	FY 2025–26 (₹ in Lakh)	FY 2024–25 (₹ in Lakh)
Foreign Exchange Earned	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

Place: Surat
Date: 05/06/2026

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

Sd/-
Gautam P. Sheth
Managing Director
DIN: 06748854

Sd/-
Nidhi G. Sheth
Director
DIN: 06748877

◆ GAUTAM GEMS LIMITED ◆

MANAGEMENT DISCUSSION AND ANALYSIS

Annual Report | Financial Year 2025–26

BSE Scrip Code: 540936 | CIN: L36911GJ2014PLC078802

Manufacturer & Trader of Rough and Polished Diamonds | Surat, Gujarat | Listed on BSE Limited

◆ ◇ ◆ ◇ ◆

Disclaimer

This Management Discussion and Analysis (MDA) Report forms part of the Annual Report for the financial year ended March 31, 2026, and is prepared in compliance with Regulation 34(2)(e) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Statements in this report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws. Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied in such statements. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to update such statements. Industry and market data used in this report has been obtained from publicly available sources, including GJEPC, Screener.in, Grand View Research, IBEF, IMF and BSE filings. Such data is appropriately sourced and attributed wherever referenced.

External Environment

2. MACRO-ECONOMIC ENVIRONMENT

2.1 Global Economic Backdrop

The financial year 2025–26 unfolded against a complex and rapidly shifting global economic landscape. The global economy demonstrated remarkable resilience in the face of multiple headwinds — including residual monetary tightening effects in advanced economies, geopolitical flashpoints in Eastern Europe and the Middle East, and the repercussions of renewed trade protectionism most notably from the United States. According to the International Monetary Fund's World Economic Outlook (WEO, April 2025), global growth was projected at approximately 2.8% for 2025, somewhat subdued relative to long-run averages, though emerging market and developing economies continued to outperform.

The diamond and luxury goods industry was particularly exposed to the softening of consumer discretionary spending in Western markets, including the United States — historically the single-largest market for diamond jewellery globally — and subdued demand from China, which has been navigating a protracted property sector correction and slower-than-expected post-pandemic recovery in luxury consumption. The imposition of US tariffs across multiple categories and geographies in early 2025, part of the broader "America First" trade recalibration, created significant uncertainty for the Indian gem and jewellery sector, which relies heavily on the US market.

Commodity markets saw considerable volatility, with rough diamond prices experiencing downward pressure globally through much of FY26, driven by inventory corrections at the mid-stream (cutting and polishing) level, an acceleration in the adoption of lab-grown diamonds (LGDs) as a substitute for natural diamonds in the consumer jewellery category, and a broader deceleration in luxury expenditure. Natural diamond miners including De Beers and ALROSA periodically curtailed sales to stabilise the market, but the structural challenge posed by LGDs — particularly in the lower-to-mid price segment — remained a defining feature of the market.

Global Diamond Market – Key Data Points (FY 2025–26)

◆ Global diamond market size estimated at USD 42.74 billion in 2025, projected at USD 44.06 billion in 2026 (Grand View Research, 2025) ◆ Market expected to reach USD 53.16 billion by 2033, growing at CAGR of 2.7% (2026–2033) (Grand View Research) ◆ Lab-grown diamonds continue to gain market share in consumer jewellery; Indian LGD export volumes exceeded natural diamond volumes in March 2026 (GJEPC) ◆ De Beers launched its GemFair Digital Traceability Program in October 2025, expanding blockchain-based tracking (De Beers press release) ◆ ALROSA completed rollout of AI-powered grading and sorting technology in June 2025, improving rough diamond classification

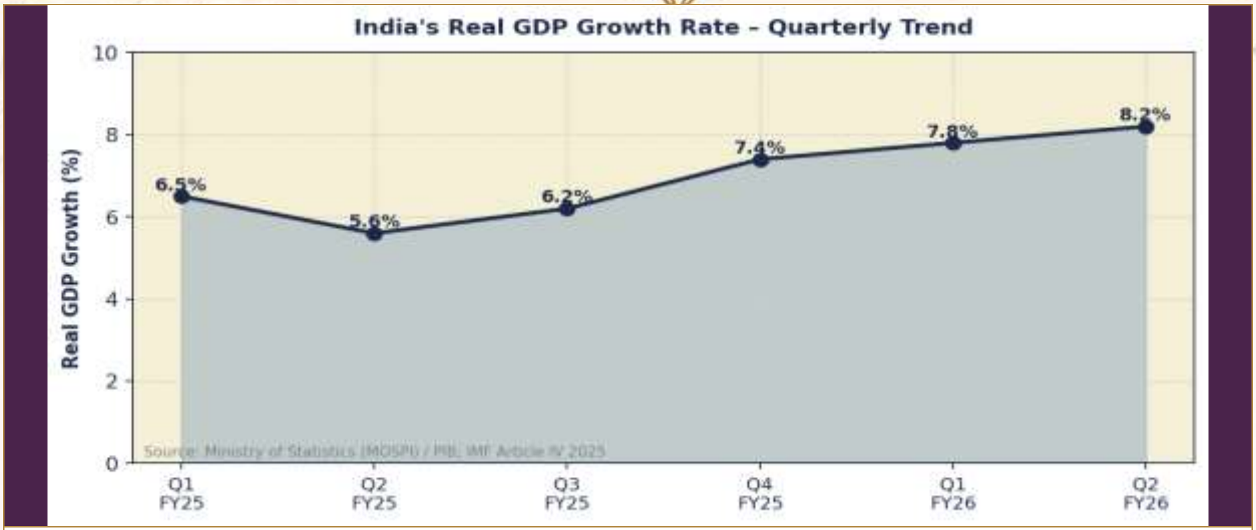


Chart: India Real GDP Growth (%) – Quarterly Trend | Source: MOSPI / PIB / IMF Article IV 2025

2.2 Indian Macroeconomic Environment

India's macroeconomic performance during FY 2025–26 was one of the standout global narratives. Real GDP expanded at 7.8% in Q1 FY26 and accelerated further to 8.2% in Q2 FY26, cementing India's position as the world's fastest-growing major economy for the fourth consecutive year. As the IMF noted in its Article IV Consultation for India (November 2025), India's economic resilience reflects robust domestic consumption, fiscal consolidation, the successful implementation of GST reform, and a favorable monetary policy environment.

Headline CPI inflation remained exceptionally benign throughout FY26, averaging below 3% — well inside the Reserve Bank of India's target band of 2–6% and the lowest level since the current CPI series was introduced. The RBI Governor characterised this as a "rare goldilocks period" of high growth and low inflation (Crisil Economic Research, December 2025). In response to softer inflation and supportive growth dynamics, the RBI executed a measured rate-cutting cycle — cutting the repo rate by 25 bps in December 2025 and maintaining it at 5.25% in February 2026. The RBI progressively upgraded its FY26 GDP growth forecast from 6.5% to 7.4% over the course of the year.

These favourable domestic conditions — particularly rising household disposable incomes, GST rationalisation reducing effective consumer prices, accelerating digital adoption, and a buoyant middle-class aspiration economy — create a positive foundation for India's gem and jewellery sector over the medium term. Higher income tax relief announced in the Union Budget 2025-26 put additional spending power into the hands of the consuming middle class, supporting demand for gold and diamond jewellery in India's domestic market.

Indian Gems & Jewellery Industry Overview

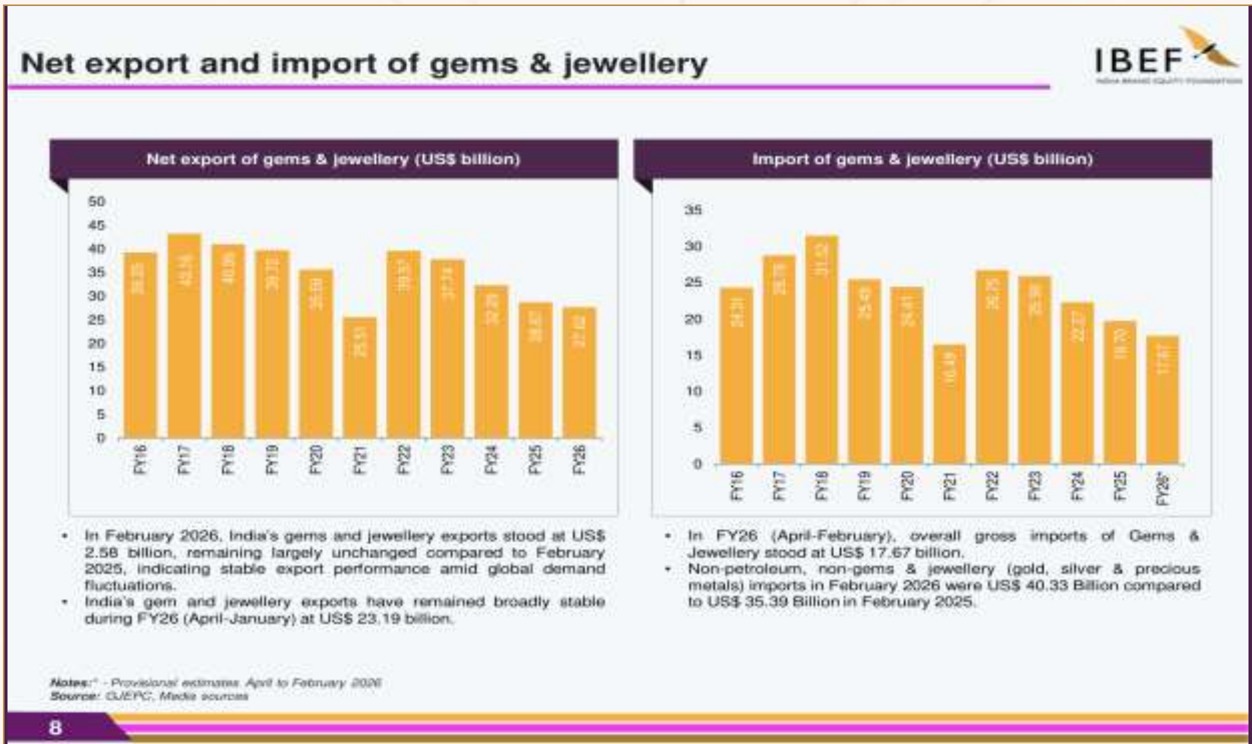
US$ 85 Bn India G&J Market (Jan 2026)	US$ 130 Bn Projected by 2030	7% Contribution to GDP	50 Lakh+ Employment Generated

Industry Overview

India's gems and jewellery sector contributes 7% to GDP and sustains employment for over 50 lakh individuals. The domestic market, valued at Rs. 7,31,255 crore (US$ 85 billion) as of January 2026, is projected to expand to Rs. 11,18,390 crore (US$ 130 billion) by 2030. Surat, Gujarat — Gautam Gems' home city — processes ~90% of the world's diamonds by number, placing the Company at the very heart of this globally significant industry.

Export Performance

India's gem and jewellery exports remained broadly stable in FY26 (April–January) at US$ 23.19 billion, despite US tariff-related headwinds. February 2026 exports stood at US$ 2.68 billion, up 3.86% YoY in dollar terms. The Government targets US$ 100 billion in jewellery exports by 2027 (up from US$ 35 billion in 2020), backed by the India-UAE CEPA and India-UK CETA.

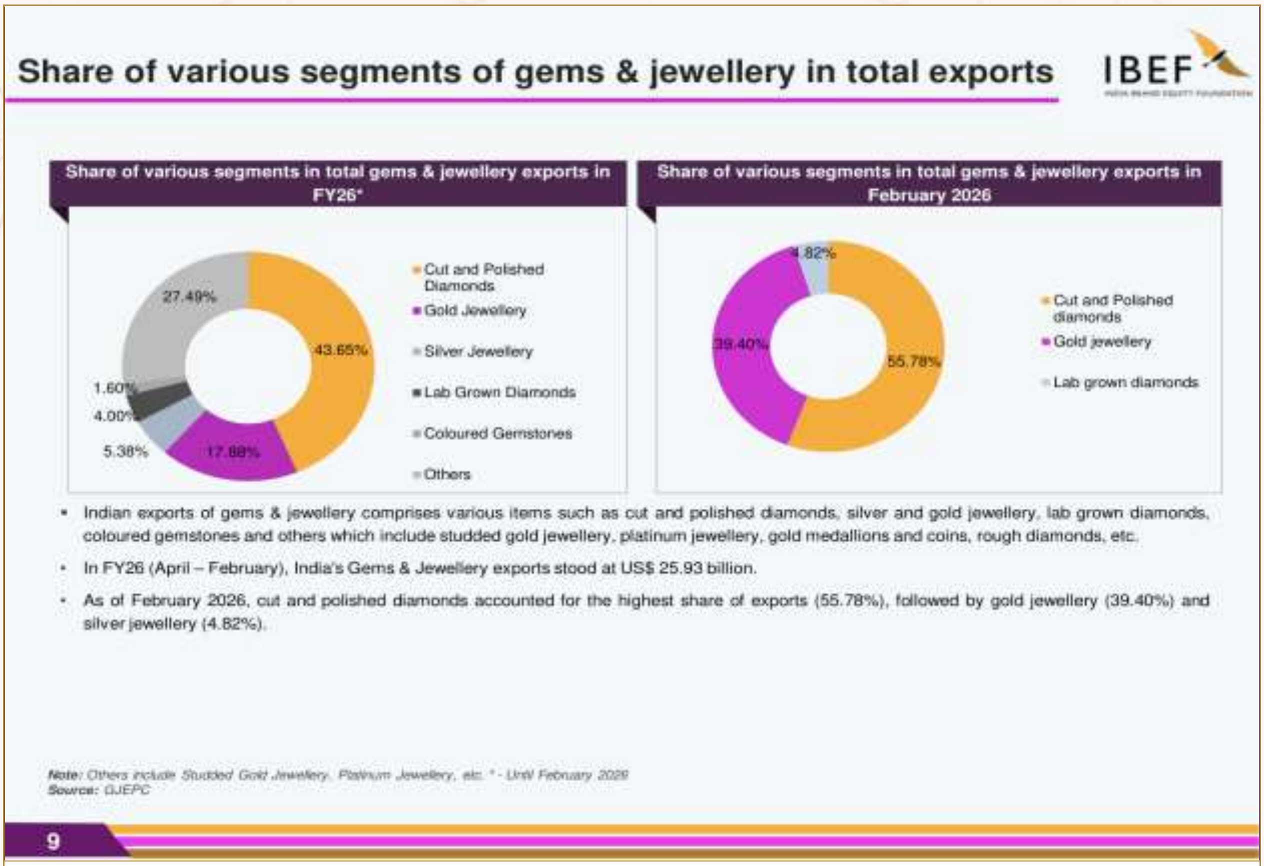


Net Export & Import of Gems & Jewellery (US$ Billion) — FY16–FY26 | Source: GJEPC; IBEF, February 2026

Cut & Polished Diamonds	Gold Jewellery	Government Target
US$ 11.32 Bn (FY26 Apr–Feb)	US$ 10.71 Bn exports (FY26)	US$ 100 Bn jewellery exports by 2027

Segment-wise Export Analysis

Cut & Polished Diamonds remain the largest export category (43.65% of FY26 exports, 55.78% in February 2026), followed by Gold Jewellery (17.88% / 39.40%). Silver Jewellery posted strong growth (+52.21% YoY), while Lab Grown Diamonds saw price compression despite rising volumes.



Share of Segments in Total Gems & Jewellery Exports — FY26 and Feb 2026 | Source: GJEPC; IBEF, February 2026*

Gold Demand — A Structural Driver

India's gold demand is projected at 600–700 tonnes in 2026, with rising investment demand (Gold ETF inflows of US$ 2.72 billion in January 2026 alone) offsetting softer jewellery consumption amid elevated prices. RBI's gold reserves rose from US$ 111.3 billion to US$ 131.6 billion between December 2025 and February 2026.

Gold Demand in India (Tonnes) — 2014 to 2026E | Source: World Gold Council; IBEF, February 2026

Key Growth Drivers

Driver	Key Data Point
Demographics	Middle class & affluent consumers to drive 93% of spending by 2036 (up from 80% in 2026); India holds 3.7% of global HNIs
FDI Policy	100% FDI under Automatic Route permitted; cumulative FDI of US$ 1.52 Bn (Apr 2000–Dec 2025)
India–UAE CEPA	Industry targeting US$ 70 billion in exports by 2030; UAE now largest export market

Driver	Key Data Point
India–UK CETA (Jul 2025)	Zero import duty on jewellery; exports to UK projected to double to US$ 2.5 Bn by 2027
SEZ Infrastructure	10 SEZs; 500+ units contributing 30% of total sector exports

Implications for Gautam Gems Limited

Industry Factor	Company Response
LGD disruption in lower-end segment	Focus on larger stones (>0.50ct) where natural diamond premium holds
US export decline (–44.92% YoY)	Diversifying via UAE corridor and planned UK subsidiary (AG Corporation Ltd.)
India–UK CETA opening UK market	Planned WOS in UK positioned to directly benefit from zero-duty access
Rising domestic consumption	Evaluating domestic customer development alongside export-led model

Management's Assessment

FY26's structural headwinds — US tariffs, LGD penetration, demand moderation — are cyclical challenges the Indian diamond industry has weathered before. Surat's processing infrastructure, rising domestic consumption, and new FTA corridors (UAE, UK) represent durable, decade-long growth drivers. Gautam Gems is using this adjustment period to diversify geographically and strengthen its balance sheet for the next growth phase.

Data Source: IBEF Gems and Jewellery Sector Report, February 2026; GJEPC; World Gold Council; DPIIT. Charts reproduced from the IBEF report for informational purposes; all rights remain with IBEF.

OUTLOOK

India's gems and jewellery sector stands at an inflection point, with structural growth drivers firmly intact despite near-term cyclical headwinds. The Government of India's ambitious target of US$ 100 billion in jewellery exports by 2027, supported by landmark Free Trade Agreements with the UAE and the United Kingdom, provides a compelling medium-term growth framework for the industry.

The India–UK Comprehensive Economic and Trade Agreement (CETA), signed in July 2025, eliminates import duties of 2.5–4% on plain gold and diamond jewellery entering the UK market, and is expected to more than double India's gems and jewellery exports to the UK — reaching Rs. 21,183 crore (US$ 2.5 billion) by 2027. Simultaneously, the India–UAE CEPA corridor continues to gain momentum, with the industry targeting US$ 70 billion in exports through this channel by 2030. Australia's elimination of tariffs on 100% of Indian exports effective January 1, 2026 further broadens India's export opportunity set.

On the domestic front, India's Gems & Jewellery market is projected to expand from US$ 85 billion (January 2026) to US$ 130 billion by 2030, driven by rising middle-class affluence, a rapidly growing HNI population, and deepening consumer preference for certified and branded diamond jewellery. Gold demand is projected to remain in the range of 600–700 tonnes in 2026, with Gold ETF holdings crossing 110 tonnes in January 2026 — reflecting strong structural investment demand.

For **Gautam Gems Limited**, the outlook is cautiously optimistic. The Company's planned Wholly-Owned Subsidiary in the United Kingdom (AG Corporation Ltd.) positions it to directly capture the benefits of the India–UK CETA.

The Board and Management remain committed to disciplined growth — optimising working capital, diversifying market reach across UAE, UK and emerging corridors, and strengthening governance and compliance infrastructure — to ensure Gautam Gems is well-positioned to participate fully in the sector's next phase of expansion.

Source: IBEF Gems & Jewellery Report, February 2026; GJEPC; World Gold Council; Company Management Assessment.

(B) OPPORTUNITIES AND THREATS

OPPORTUNITIES

I. Expanding Global Acceptance of Lab-Grown Diamonds

The global jewellery industry continues to witness a structural shift towards lab-grown diamonds, supported by increasing consumer awareness, affordability, technological advancements and growing acceptance among leading jewellery retailers. Consumers, particularly younger demographics, are increasingly viewing lab-grown diamonds as a value-driven alternative that offers identical physical and chemical characteristics to natural diamonds at a significantly lower price point. This expanding acceptance presents long-term growth opportunities for companies operating across the lab-grown diamond value chain.

The Company is well positioned to benefit from this transition through its presence in the trading and processing of lab-grown diamonds and its ability to serve both domestic and export markets.

II. Growth in Export Markets

India continues to remain one of the world's largest centres for cutting, polishing and trading of diamonds. Growing demand for lab-grown diamonds across the United States, Europe, the Middle East and other international markets, coupled with favourable trade relationships and expanding global distribution networks, provides significant opportunities for export-oriented businesses.

The Company's established industry relationships and experience in international trade position it favourably to participate in the increasing global demand for lab-grown diamonds.

III. Expanding Jewellery and Retail Adoption

Lab-grown diamonds are increasingly being incorporated into bridal jewellery, fashion jewellery and premium lifestyle products by both established jewellery brands and organised retailers. The growing retail presence of dedicated lab-grown diamond brands is expected to widen consumer reach and support sustained demand across multiple price segments.

This expanding retail ecosystem creates additional opportunities for the Company to strengthen its customer base and diversify its product offerings.

IV. Strong Manufacturing Ecosystem in India

India, particularly Surat, possesses a well-established ecosystem of skilled artisans, grading expertise, polishing infrastructure and supporting industries. As the industry gradually shifts towards lab-grown diamonds, this existing infrastructure enables businesses to scale operations efficiently without significant additional investment in specialised human resources.

The availability of experienced manpower and established supply chain networks continues to support the Company's operational capabilities and competitiveness.

V. Increasing Preference for Certified and Ethically Sourced Products

Consumers and institutional buyers are placing greater emphasis on product certification, transparency and responsible sourcing. Certified lab-grown diamonds are increasingly gaining acceptance across domestic and international markets as buyers seek greater confidence regarding quality and authenticity.

The Company's focus on certified products and transparent business practices positions it to benefit from this evolving customer preference.

THREATS

I. Continued Price Volatility in Lab-Grown Diamonds

The rapid expansion of global manufacturing capacity has resulted in significant price corrections across the lab-grown diamond industry. While lower prices have contributed to higher consumer adoption, sustained downward pressure on selling prices may adversely impact industry margins, inventory valuations and profitability.

As pricing remains largely influenced by global supply-demand dynamics, continued volatility may affect the Company's revenue realisation and operating performance.

II. Intensifying Competition

The lab-grown diamond industry continues to attract new domestic and international participants due to relatively lower entry barriers compared to traditional diamond mining. Increased competition may lead to pricing pressure, shorter business cycles and reduced margins, requiring companies to continuously improve quality, operational efficiency and customer relationships.

Maintaining product differentiation and service quality will remain critical for sustaining long-term competitiveness.

III. Changes in Consumer Preferences

Although adoption of lab-grown diamonds is increasing, consumer preferences within the jewellery industry continue to evolve rapidly. Changes in fashion trends, product designs, purchasing behaviour or the continued preference for natural diamonds in certain customer segments may influence demand patterns.

The Company's ability to adapt its product portfolio to changing market preferences will remain an important factor in sustaining future growth.

IV. Regulatory and Trade Policy Developments

The Company's business is influenced by changes in domestic regulations governing the gems and jewellery sector as well as international trade policies applicable to exports. Modifications in import-export regulations, customs duties, certification requirements or trade restrictions in key overseas markets may affect business operations, cost structures and market access.

Continuous monitoring of regulatory developments remains essential to ensure timely compliance and minimise business disruption.

V. Foreign Exchange and Commodity Price Fluctuations

A significant portion of the diamond trade is conducted in foreign currencies, particularly the US Dollar. Accordingly, fluctuations in exchange rates may influence export realisations, procurement costs and profitability. In addition, movements in precious metal prices may impact overall jewellery demand and customer purchasing behaviour.

VI. Supply Chain and Procurement Risks

The Company's operations depend upon the timely availability of quality rough and polished diamonds, reliable logistics and efficient supply chain management. Any disruption arising from geopolitical developments, transportation constraints, supplier concentration or global trade disturbances may impact procurement schedules, inventory availability and customer deliveries.

The Company continues to strengthen supplier relationships and diversify procurement sources to enhance supply chain resilience.

SEGMENT–WISE OR PRODUCT-WISE PERFORMANCE

Gautam Gems Limited continues to operate in the business of trading, manufacturing, and processing of diamonds, including lab-grown diamonds, along with gold jewellery. The Company's operations are managed as a single integrated business activity, with products catering to the gems and jewellery market.

During FY 2025–26, the Company continued to focus on its core product categories comprising polished diamonds of various grades, sizes, and specifications, as well as select gold jewellery offerings. The Company's performance during the year was supported by its emphasis on product quality, customer relationships, timely execution of orders, and prudent inventory management.

The Company remains committed to maintaining high standards of quality and service while adapting to changing market requirements and customer preferences. As the business is operated and monitored as a unified activity, performance is assessed on an overall basis rather than through separate product-wise evaluation.

(E) RISKS & CONCERNS

RISK MANAGEMENT FRAMEWORK

Key Risks and Concerns – FY 2025-26

I. Business Transition & Market Positioning Risk

Aligning the product portfolio with evolving lab-grown and natural diamond demand across geographies and price segments.

II. Value Creation & Margin Sustainability Risk

Intensifying price competition from wider lab-grown diamond availability may pressure value addition and profitability.

III. Customer Concentration & Market Development Risk

Future growth depends on expanding and diversifying the customer base across domestic and international markets.

IV. Supply Chain Integrity & Product Assurance Risk

Maintaining consistent quality, authenticity and timely availability of diamonds is essential to customer confidence.

V. Regulatory & Responsible Business Risk

An evolving regulatory environment requires continued compliance with transparency and governance requirements.

VI. Technology, Information Security & Business Continuity Risk

Growing dependence on IT systems increases exposure to system failures, cyber incidents and continuity disruptions.

VII. Reputation & Stakeholder Confidence Risk

Long-term success depends on sustaining the confidence of customers, suppliers, investors and other stakeholders.

The Company operates in an industry undergoing significant transformation, driven by changing consumer preferences, technological advancements and evolving global trade dynamics. While these developments create substantial growth opportunities, they also introduce new business risks that require continuous monitoring and proactive management. The Company's approach to risk management focuses on preserving operational resilience, maintaining financial discipline and strengthening long-term stakeholder confidence.

I. Business Transition and Market Positioning Risk

The global diamond industry is witnessing a gradual transition towards lab-grown diamonds alongside the traditional natural diamond segment. As customer preferences continue to evolve across different geographies and price segments, the Company faces the challenge of aligning its product portfolio with changing market requirements while maintaining sustainable business growth. An inability to respond effectively to evolving demand patterns may impact future competitiveness.

Key Mitigation Measures

Management continuously evaluates customer demand, industry developments and product trends to optimise its business mix. The Company remains focused on supplying certified products, strengthening customer relationships and maintaining operational flexibility to respond to evolving market requirements.

II. Value Creation and Margin Sustainability Risk

The increasing availability of lab-grown diamonds has intensified price competition across the industry. While expanding consumer acceptance supports volume growth, sustained pressure on industry pricing may affect value addition and profitability unless supported by operational efficiency, product quality and customer confidence.

Key Mitigation Measures

The Company continues to emphasise quality consistency, disciplined procurement, efficient inventory management and long-standing business relationships. Management remains focused on improving operational efficiencies and optimising product mix to support sustainable margins.

III. Customer Concentration and Market Development Risk

The Company's future growth depends upon expanding its customer base across domestic and international markets. Changes in purchasing behaviour, consolidation among buyers or increased competition may affect business volumes if adequate customer diversification is not maintained.

Key Mitigation Measures

The Company continues to strengthen relationships with existing customers while exploring opportunities to broaden its market presence across multiple geographies and customer segments. Management regularly reviews market opportunities to reduce dependence on any single customer or market.

IV. Supply Chain Integrity and Product Assurance Risk

Maintaining consistent quality, authenticity and timely availability of diamonds remains essential in preserving customer confidence. Disruptions in procurement, inconsistencies in grading or certification processes, or weaknesses in supply chain controls could adversely affect business performance and reputation.

Key Mitigation Measures

The Company follows established procurement procedures, quality verification processes and inventory controls. Supplier relationships are regularly reviewed to maintain consistent product quality and ensure reliable sourcing.

V. Regulatory and Responsible Business Risk

The regulatory environment governing listed entities and the gems and jewellery industry continues to evolve with greater emphasis on transparency, product disclosure, corporate governance and responsible business practices. Failure to comply with changing statutory requirements may expose the Company to regulatory actions and reputational risk.

Key Mitigation Measures

The Company maintains a structured compliance framework supported by periodic internal reviews, professional guidance and continuous monitoring of regulatory developments to ensure timely compliance with applicable laws and disclosure requirements.

VI. Technology, Information Security and Business Continuity Risk

Increasing digitalisation of business processes has improved operational efficiency but has also increased dependence on information technology systems. System failures, cyber security incidents or disruptions to digital infrastructure may affect operational continuity, financial reporting or customer servicing.

Key Mitigation Measures

The Company periodically reviews its IT environment, implements appropriate access controls, maintains data backup procedures and continuously strengthens internal processes to support business continuity.

VII. Reputation and Stakeholder Confidence Risk

The Company's long-term success depends significantly on maintaining the confidence of customers, suppliers, financial institutions, investors and other stakeholders. Product quality concerns, governance deficiencies, compliance failures or adverse market perception may impact the Company's reputation and business prospects.

Key Mitigation Measures

Management remains committed to high standards of corporate governance, ethical business practices, transparent disclosures and consistent product quality. Continuous engagement with stakeholders and adherence to sound business practices remain integral to sustaining long-term trust.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Control Philosophy

For a Company whose principal asset is physical inventory of diamonds, gemstones, and finished jewellery — assets that are simultaneously high in value, compact in size, and highly liquid if mishandled — the design of internal controls is necessarily weighted toward asset safeguarding and physical verification, alongside the conventional emphasis on accurate financial reporting and statutory compliance. Gautam Gems Limited's control environment is built around this reality: a lean organisational structure of 18 employees, in which clear authorisation limits and cross-checks substitute for the layered hierarchies typical of larger organisations, and where the Board and Audit Committee remain closely involved in day-to-day oversight rather than relying solely on multiple management tiers.

Inventory and Asset-Level Controls

Given that inventories constitute the single largest line item on the Company's balance sheet — and grew by a further 11.9% during FY 2025-26 — the Company places particular emphasis on controls over stock movement, including documented procedures for inward receipt, grading/valuation, issue for processing, and dispatch of diamonds and gemstones, supported by periodic physical verification and reconciliation against book records. Access to the Company's stock-holding areas is restricted, and custody of high-value inventory is governed by defined authority limits rather than being left to individual discretion. These controls are particularly relevant in a year where inventory has been built up ahead of anticipated requirements, as flagged elsewhere in this report — the larger the carrying value of stock at any point in time, the greater the importance of verification controls operating without exception.

Financial Reporting and Transaction-Level Controls

The Company maintains documented standard operating procedures across its core financial processes — procurement and payables, sales and receivables, treasury and banking, and payroll — with defined segregation between transaction initiation, approval, and recording, to the extent permitted by team size. Bank and book balances are reconciled on a periodic basis, and authorisation matrices govern payment approvals, particularly for trade payables, which rose 24.2% during the year as the Company increasingly relied on supplier credit to fund working capital — a trend that has been factored into the Company's monitoring of payment terms and ageing. Related party transactions, where they arise, are placed before the Audit Committee for prior approval and are reviewed for arm's-length compliance, consistent with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Internal Financial Controls (IFC) and Audit Oversight

The Company's Internal Financial Controls framework, as required under Section 134(5)(e) of the Companies Act, 2013, covers the orderly and efficient conduct of business, accuracy and completeness of accounting records, prevention and detection of fraud and error, and timely preparation of reliable financial information. The design of these controls is periodically tested through an internal audit function operating in coordination with the statutory auditors, with the scope of testing calibrated each year to areas of relatively higher residual risk — inventory and receivables being natural areas of focus in a trading business of this nature. Observations arising from internal audit, together with management's corrective action plans, are placed before the Audit Committee for review, and the status of previously raised observations is tracked through to closure rather than treated as one-time reporting events.

Adequacy Assessment

Based on the internal audit findings for the year, the work performed by the statutory auditors in the course of their audit (including their reporting under the IFC framework prescribed under the Companies Act, 2013), and the Audit Committee's review through the year, the Board is of the view that the internal financial controls and the internal control systems of the Company are adequate and commensurate with the size, scale, and nature of its operations, and that these operated effectively during FY 2025-26. The Company continues to view this as an evolving framework, to be strengthened in line with growth in scale and complexity of operations, rather than as a static system, and no material weakness in design or operation was identified during the year under review.

(g) Discussion on Financial Performance with respect to Operational Performance

1. Operational Performance and Revenue Dynamics

During the financial year ended March 31, 2026, Gautam Gems Limited demonstrated operational resilience amidst a business environment that continued to witness fluctuations in global diamond demand, changing consumer preferences and cautious inventory practices across the gems and jewellery value chain. After the moderation in business volumes witnessed during the previous financial year, the Company recorded revenue from operations of **₹7,971.22 lakhs**, as against **₹7,834.01 lakhs** in FY 2024-25, registering a modest growth of approximately **1.75%**.

While the increase in turnover remained moderate, it reflects stabilization of business operations and the Company's continued emphasis on sustainable revenue generation rather than pursuing aggressive volume-led expansion. The management remained focused on serving established customers, improving product mix and maintaining disciplined trading practices while adapting to prevailing market conditions.

Other income increased substantially to **₹57.94 lakhs** from **₹16.49 lakhs** in the previous year.

The Company's approach during the year continued to prioritize quality of earnings, customer relationship management and operational consistency, enabling it to maintain steady business performance despite continued volatility in the industry.

2. Cost Management and Operational Efficiency

The Company continued its focus on operational efficiency through disciplined procurement, inventory optimization and effective cost management across business functions.

Cost of materials consumed increased to **₹8,307.08 lakhs** compared to **₹7,473.95 lakhs** in FY 2024-25, broadly in line with the increase in business activity. Procurement decisions continued to be aligned with customer demand and prevailing market conditions, allowing the Company to maintain adequate inventory levels without compromising liquidity.

One of the notable operational developments during the year was the movement in inventories. The Company reported a negative inventory adjustment of **₹513.70 lakhs** under "Changes in inventories of finished goods and stock-in-trade", compared to a positive adjustment of **₹203.61 lakhs** in the previous year. This indicates that the Company was able to efficiently utilize existing inventories to support sales while simultaneously strengthening inventory replenishment towards the end of the year. Closing inventory increased to **₹4,837.70 lakhs** from **₹4,324.00 lakhs**, reflecting management's confidence in future business opportunities and preparedness to meet anticipated customer requirements.

Employee benefit expenses remained well controlled at **₹64.11 lakhs**, marginally lower than **₹65.58 lakhs** recorded during the previous year, demonstrating continued productivity improvements and efficient deployment of human resources without compromising operational capabilities.

Finance costs reduced significantly from **₹33.32 lakhs** to **₹26.23 lakhs**, despite continued working capital requirements. This improvement reflects better utilization of financial resources, reduction in borrowings and effective treasury management.

Depreciation expense also declined to **₹5.53 lakhs**, compared to **₹6.69 lakhs** in the previous year, consistent with the Company's relatively stable fixed asset base.

Overall, the Company's cost structure remained well managed, enabling improved operating profitability despite only moderate revenue growth.

3. Profitability Performance

The financial year witnessed a significant improvement in profitability, reflecting the combined impact of operational discipline, efficient working capital management and improved cost optimization initiatives.

Profit before tax increased to **₹94.62 lakhs** from **₹42.34 lakhs** in the previous year, representing growth of over **123%**. After accounting for tax expenses, the Company reported a net profit of **₹70.13 lakhs**, compared to **₹28.43 lakhs** in FY 2024-25, recording an increase of nearly **147%**.

The improvement in profitability was achieved despite only marginal growth in revenue, indicating better operational leverage and enhanced efficiency across core business activities.

Reduced finance costs, higher contribution from other income and disciplined control over employee and operating expenses collectively contributed to the improved bottom line.

Consequently, Earnings per Share (EPS) improved to **₹0.16** from **₹0.07** during the previous financial year, reflecting enhanced value generation for shareholders.

The improvement in profitability demonstrates the Company's ability to generate higher earnings through prudent financial management and efficient execution of its trading operations rather than relying solely on higher business volumes.

4. Balance Sheet Strength and Capital Structure

The Company's financial position remained healthy with a well-capitalized balance sheet and conservative leverage profile.

Total assets increased to **₹7,425.40 lakhs** as at March 31, 2026 from **₹7,109.34 lakhs** in the previous year. The increase was primarily driven by higher inventory levels maintained to support future business growth.

Shareholders' funds strengthened during the year with total equity increasing to **₹5,198.15 lakhs** from **₹5,127.43 lakhs**, supported by the retention of current year's earnings. Other equity increased to **₹913.54 lakhs**, reflecting continued accretion to reserves.

The Company continued to maintain a prudent capital structure. Current borrowings reduced from **₹640.26 lakhs** to **₹553.94 lakhs**, indicating lower dependence on external debt financing. The debt profile remained comfortable, thereby reducing finance costs and strengthening overall financial flexibility.

Trade payables increased during the year to **₹1,600.95 lakhs**, reflecting higher procurement activity and efficient utilization of supplier credit in managing working capital requirements. The Company continued to maintain timely settlement practices with suppliers while ensuring adequate liquidity.

The overall balance sheet continues to reflect a financially stable organization with adequate capital resources to support future business expansion.

5. Working Capital Management and Liquidity

Effective working capital management remained one of the Company's key operational priorities during FY 2025-26.

Trade receivables reduced from **₹2,414.86 lakhs** to **₹2,334.00 lakhs**, despite higher revenue, indicating improved collection efficiency and disciplined customer credit management. The reduction in receivable levels reflects continued emphasis on strengthening cash conversion and minimizing credit risk.

Inventories increased during the year in line with anticipated business requirements and procurement planning. Management continued to maintain appropriate inventory levels while balancing customer servicing requirements and capital efficiency.

Current borrowings reduced during the year, demonstrating the Company's ability to finance a larger portion of its operations through internally generated resources and efficient working capital utilization.

Cash and cash equivalents stood at **₹9.60 lakhs** at year end compared to **₹14.52 lakhs** in the previous year. While cash balances moderated, the overall liquidity position remained supported by healthy current assets, disciplined receivable management and lower reliance on borrowings.

The Company's continued emphasis on efficient working capital deployment has contributed to improved financial stability and enhanced operational flexibility.

6. Operational Outlook and Business Direction

The Company continues to pursue a balanced growth strategy focused on operational efficiency, prudent risk management and long-term value creation. Management remains committed to strengthening customer relationships, enhancing procurement efficiencies and improving inventory planning while maintaining financial discipline.

The gems and jewellery industry continues to be influenced by global economic conditions, changing consumer preferences, currency movements and evolving supply chain dynamics. In this environment, the Company believes that maintaining a strong balance sheet, disciplined working capital management and operational flexibility will remain critical competitive advantages.

Going forward, the Company intends to continue emphasizing sustainable growth rather than aggressive expansion, while leveraging its established market presence and business relationships. Continued focus on profitability, efficient capital allocation and prudent financial management is expected to support long-term shareholder value creation.

Overall, FY 2025-26 represents a year of strengthened operational performance, improved profitability and enhanced financial stability, positioning the Company favourably to capitalize on future growth opportunities as market conditions continue to improve.

INDUSTRIAL RELATIONS AND HUMAN RESOURCE MANAGEMENT

7.1 Human Resource Management

Gautam Gems Limited continues to operate with a small, stable, and experienced workforce, reflecting the specialised and relationship-driven nature of the gems and jewellery industry. As on March 31, 2026, the Company had 13 employees on its payroll as compared to 17 employees in the previous financial year. The modest increase in headcount is consistent with the Company's measured and organic approach to business operations during the year. No significant hiring initiatives, retrenchments, layoffs, organisational restructuring, or material attrition events occurred during FY 2025–26.

The Company's employees are engaged across diamond assortment, grading, polishing quality assessment, accounts and compliance, and administrative functions. These activities support a business model in which technical expertise, experience, and professional judgment—particularly in stone assessment, quality evaluation, and process oversight—remain integral to maintaining product standards and customer confidence. In view of the specialised nature of these functions, the Company continues to focus on retaining experienced personnel and strengthening capabilities through practical exposure and knowledge sharing within the organisation rather than pursuing large-scale recruitment. The stability of the Company's workforce over the past two financial years reflects this approach, even as business conditions and operating requirements continued to evolve.

The Company is headquartered in Surat, which remains India's principal centre for diamond processing and one of the world's largest hubs for the cutting and polishing of diamonds. The region provides access to a deep pool of specialised talent and benefits from a well-established ecosystem supporting the gems and jewellery sector. The Company also benefits from the broader industry skilling infrastructure developed through initiatives promoted by the Gem & Jewellery Skill Council of India (GJSCI) and the Gem & Jewellery Export Promotion Council (GJEPC), which facilitate industry-recognised training, certification, and skill-development programmes across diamond processing, grading, and jewellery manufacturing disciplines. While the Company did not conduct any formal in-house training programmes during the year, it continued to support employee development through periodic on-the-job guidance, process familiarisation, and quality-control supervision, thereby helping maintain the technical competence required for its operations.

The Company believes that its employees are a valuable asset and that the continued success of the business depends on maintaining a skilled, committed, and ethically driven workforce. Management remains focused on fostering a professional work environment that encourages accountability, collaboration, and continuous improvement while supporting the Company's long-term business objectives.

7.2 Workplace Safety and Welfare

The Company remains committed to providing a safe, healthy, respectful, and inclusive working environment for all employees. The registered office is maintained in accordance with applicable statutory requirements relating to workplace safety, employee welfare, and Labour regulations. The Company periodically reviews its workplace practices to ensure compliance with relevant legal and regulatory obligations and to promote a professional work culture based on mutual respect, integrity, and accountability.

The Company complies with applicable laws governing employee welfare, working conditions, social security benefits, and statutory employee obligations. Employees are provided with the facilities and support necessary to discharge their responsibilities effectively, and management remains attentive to maintaining a workplace environment conducive to productivity and employee well-being.

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee (ICC) and implemented appropriate policies and procedures for the prevention, prohibition, and redressal of workplace harassment. The Company follows a zero-tolerance approach towards any form of harassment or discrimination and remains committed to ensuring dignity, equality, and fair treatment for all employees. No complaints were received during FY 2025–26 under the aforesaid Act.

7.3 Industrial Relations

Industrial relations remained cordial and harmonious throughout FY 2025–26. There were no instances of industrial disputes, strikes, lockouts, work stoppages, or significant employee grievances during the year. The Company considers positive employee relations to be an important factor supporting operational continuity, organisational stability, and long-term business performance.

Management maintains regular interaction with employees and encourages open communication regarding operational developments, business performance, compliance matters, and the Company's future plans. Employees are encouraged to share feedback and raise concerns through appropriate channels, enabling timely resolution of issues and fostering a culture of transparency and mutual trust.

The Company believes that its stable workforce, collaborative work culture, and constructive management-employee relationship have contributed significantly to maintaining uninterrupted operations and effective execution of business activities during the year. The Board places continued emphasis on employee engagement, workplace discipline, and maintaining a positive organisational environment that supports sustainable growth and long-term value creation.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

The table below sets out the key financial ratios for FY 2025-26 as compared with FY 2024-25. In line with the disclosure threshold, detailed explanations have been provided only for ratios that moved by 25% or more

Ratio	FY 2025-26	FY 2024-25	% Change	Explanation
Debtors Turnover (x)	3.42	3.24	+5.28%	–
Inventory Turnover (x)	1.65	1.81	-9.05%	–
Interest Coverage Ratio (x)	4.61	2.27	+102.90%	See note below
Current Ratio (x)	3.28	3.52	-7.03%	–
Debt-Equity Ratio (x)	0.11	0.12	-14.66%	–
Operating Profit Margin (%)	1.59%	1.05%	+50.78%	See note below
Net Profit Margin (%)	0.88%	0.36%	+142.45%	See note below

Interest Coverage Ratio

The Company's ability to pay interest on its loans improved significantly during the year. This happened because it reduced its borrowings, which lowered interest costs from **₹0.33 crore to ₹0.26 crore (down 21.3%)**. At the same time, the Company's operating profit increased while its overall costs remained largely under control. As a result, the Company now earns much more than what is needed to pay its interest expenses, showing a stronger and more sustainable ability to meet its debt obligations.

Operating Profit Margin

The Company's operating profit (EBITDA) increased by **53.5%**, even though revenue grew by only **1.75%**. This was mainly because the Company managed its costs efficiently while keeping employee expenses almost unchanged. As a result, a larger portion of its revenue was converted into operating profit, leading to a significant improvement in the operating profit margin.

Net Profit Margin (+142.45%)

The Company's net profit increased sharply from **₹0.28 crore to ₹0.70 crore (up 146.7%)**, while revenue increased by only **1.75%**. This was mainly because the improvement in operating profit was not offset by higher interest costs, depreciation, or taxes. There were also **no one-time or exceptional gains** during the year. This indicates that the increase in profit came from stronger day-to-day business performance and better cost management, making the improvement genuine and sustainable.

The remaining four ratios — Debtors Turnover, Inventory Turnover, Current Ratio, and Debt-Equity Ratio — moved within a narrow band (5–15%) and remain broadly consistent with the Company's historical liquidity and leverage profile, indicating that working capital and capital structure management remained stable through the year even as profitability improved materially.

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

RETURN ON NET WORTH

FY 2025-26 compared with FY 2024-25

Particulars	FY 2025-26 (₹ Crore)	FY 2024-25 (₹ Crore)
Net Profit (PAT)	0.70	0.28
Net Worth	51.98	51.27
Return on Net Worth (%)	1.35%	0.55%

The improvement is driven almost entirely by the numerator, not the denominator. Net worth grew by only 1.38% during the year, as it consists predominantly of fixed equity share capital with the only organic movement coming through retained earnings. Net profit, by contrast, grew 146.7%, for the reasons detailed in point above: a modest 1.75% growth in revenue from operations was amplified into a much larger profit increase through operating leverage — specifically, a 21.3% reduction in finance costs (itself a result of lower short-term borrowings), a 17.3% reduction in depreciation, and broadly flat employee costs, all of which allowed the improvement in EBITDA to flow through to the bottom line at a multiple of its own growth rate.

In effect, RONW improved because the Company earned materially more profit from substantially the same capital base, rather than because the capital base itself shrank or was returned to shareholders. This is generally regarded as the more sustainable form of RONW improvement — it reflects better utilisation of existing net worth rather than balance sheet contraction. That said, the absolute RONW of 1.35% remains modest in absolute terms and below what would typically be considered an efficient return on shareholders' capital for the sector.

DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of its financial statements for FY 2025-26, the Company has applied the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder, on a basis consistent with the preceding financial year. There has been no change in accounting policy, and no alternative or deviant accounting treatment has been adopted for any class of transaction during the year that differs from the prescribed Ind AS framework.

Accordingly, no disclosure is required in respect of any alternate accounting treatment under the applicable regulatory framework, and the financial statements present a true and fair view of the state of affairs, financial performance, and cash flows of the Company in full compliance with the applicable accounting standards.

CAUTIONARY STATEMENT

Certain statements in this Management Discussion and Analysis report relating to the Company's future business outlook, financial projections, expected developments, and strategic plans constitute forward-looking statements. These statements involve risks and uncertainties including, but not limited to, market conditions in the global and domestic

diamond industry, fluctuations in rough and polished diamond prices, changes in currency exchange rates, regulatory developments, geopolitical events, and competition from lab-grown diamonds and competing luxury segments.

Actual results could differ materially from those expressed or implied by the forward-looking statements. Readers should not place undue reliance on such statements. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Industry and market data referenced in this report has been sourced from publicly available databases and reports including GJEPC (Gem and Jewellery Export Promotion Council), Grand View Research, Screener.in, IBEF (India Brand Equity Foundation), IMF, PIB (Press Information Bureau, Government of India), RBI Monetary Policy Statements, and Technavio. All such sources are duly attributed. The Company has made reasonable efforts to verify the accuracy of such data but makes no representation as to its completeness or currency.

Place: Surat
Date: 05/06/2026

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

Sd/-
Gautam P. Sheth
Managing Director
DIN: 06748854

Sd/-
Nidhi G. Sheth
Director
DIN: 06748877

◆ GAUTAM GEMS LIMITED ◆

CIN: L36911GJ2014PLC078802

BSE Scrip Code: 540936

REPORT ON CORPORATE GOVERNANCE

Annual Report | Financial Year 2025–26

Diamond Excellence **Manufacturer & Trader of Rough & Polished Diamonds**	◆ **Governance** **Integrity | Transparency** **Accountability | Fairness**	**Listed Entity** **BSE Limited** **Surat, Gujarat – Since 2014**

Prepared in accordance with Regulations 17 to 27, Regulation 34(3), and Schedule V of the SEBI (LODR) Regulations, 2015

◆ ◇ ◆ ◇ ◆

Registered Office: 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat – 395004, Gujarat, India

Website: www.gautamgems.com | Email: complianceggl@gmail.com

INTRODUCTION TO CORPORATE GOVERNANCE

Corporate governance forms the bedrock upon which enduring enterprises are constructed. For Gautam Gems Limited, a company born in the diamond heartland of Surat and listed on BSE Limited, governance is not an abstract concept confined to policy documents but a living, breathing culture that permeates every facet of our operations — from the sourcing of rough diamonds to the delivery of polished stones to our global clientele.

The diamond industry is characterised by its reliance on trust, precision, and long-term relationships. Each stone that passes through our hands carries with it the integrity of our entire enterprise. In the same way, every governance decision we take reflects our commitment to the highest standards of ethical conduct, transparency, and stakeholder protection. Governance, for us, is the invisible facet that gives our business its brilliance.

This Report on Corporate Governance forms part of the Annual Report for the financial year ended March 31, 2026, and has been prepared in strict compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended. It covers Regulations 17 to 27, Regulation 34(3), the relevant clauses of Regulation 46, and Schedule V thereof, providing stakeholders with a comprehensive account of the governance architecture, systems, and practices prevailing at the Company during the year under review.

About Gautam Gems Limited

Incorporated on February 18, 2014 as Gautam Gems Private Limited in Surat, Gujarat, the Company was converted into a Public Limited Company and renamed Gautam Gems Limited on August 16, 2017. Its equity shares are listed on BSE Limited (Scrip Code: 540936; ISIN: INE063Z01017). The Company is principally engaged in the manufacturing and trading of rough and polished diamonds across multiple categories of shape, cut, size and colour. Its operations are conducted from its registered office at 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat – 395004, Gujarat.

7 Board Meetings Held (FY 2025–26)	3 Independent Directors	5 Total Directors	Nil Shareholder Complaints (FY 26)

2. PHILOSOPHY ON CODE OF GOVERNANCE

The governance philosophy of Gautam Gems Limited rests on five enduring pillars — Integrity, Transparency, Accountability, Fairness, and Responsibility. These are not merely words inscribed in a policy document; they are the values that guide every interaction, every business decision, and every relationship that the Company nurtures with its stakeholders.

The Five Pillars of Our Governance Philosophy

The Board of Directors is the nucleus of our governance framework. It provides strategic guidance, independent oversight, and collective wisdom drawn from diverse professional backgrounds. Supported by specialised committees, robust internal controls, and a culture of ethical leadership, the Board ensures that the Company's decisions consistently reflect the best interests of shareholders and the broader stakeholder community.

The Company periodically benchmarks its governance practices against the requirements of Schedule V of the SEBI Listing Regulations, the Corporate Governance Voluntary Guidelines issued by the Ministry of Corporate Affairs, and the principles espoused by leading governance bodies such as the Institute of Company Secretaries of India (ICSI) and the National Foundation for Corporate Governance (NFCG). This ongoing self-assessment ensures that our governance architecture remains current, effective, and aligned with evolving expectations.

3. BOARD OF DIRECTORS & GOVERNANCE FRAMEWORK

3.1 Role and Responsibilities of the Board

The Board of Directors is the apex governing body of Gautam Gems Limited, entrusted with the responsibility of steering the Company towards sustainable growth while safeguarding the interests of all stakeholders. The Board's responsibilities encompass the full spectrum of corporate oversight, including:

- Defining the long-term strategic direction of the Company and approving key business plans and investments
- Approving major capital expenditure, acquisitions, and entry into new markets or business lines
- Overseeing the financial performance of the Company, including review of quarterly and annual financial results
- Reviewing and approving the corporate governance framework and policies, including Code of Conduct, Insider Trading Policy, Whistle Blower Policy and Related Party Transaction Policy
- Ensuring compliance with all applicable laws, regulations and standards
- Overseeing the functions of the Board Committees and reviewing their recommendations
- Evaluating the performance of Key Managerial Personnel and approving their remuneration

3.2 Size and Composition of the Board

The composition of the Board of Gautam Gems Limited is designed to reflect a judicious balance between Executive Directors, who bring operational expertise and deep industry knowledge, and Non-Executive Independent Directors, who provide independent judgment, diverse perspectives, and objective oversight. This balance is critical to ensuring that the Board functions as an effective decision-making body that is responsive to the needs of the business while remaining independent of management.

As on March 31, 2026, the Board comprises five Directors, with Executive Directors constituting 40% and Non-Executive Independent Directors constituting 60% of the Board. This composition is in full compliance with Regulation 17 of the SEBI Listing Regulations, which requires that at least one-third of the Board comprise Independent Directors where the Chairperson is a Non-Executive Director, and at least one-half where the Chairperson is an Executive Director. The Company's Audit Committee Chairperson, Mr. Umeshbhai Rasiklal Gor, is an Independent Director, satisfying the requirement under Regulation 17(1)(b).

Board – Gender Diversity	Board – Category Composition
4 (80%) **Male Directors**	**2 (40%)** **Promoter Executive Directors**
1 (20%) **Woman Director**	**3 (60%)** **Non-Executive Independent Directors**
The Board includes a Woman Director (Mrs. Nidhi Gautam Sheth) as mandated under Regulation 17(1)(a) of the SEBI Listing Regulations.	**Independent Directors constitute a majority of the Board (60%), exceeding the minimum threshold required under Regulation 17.**

3.3 Directors' Profile and Composition

The Board comprises Directors with complementary expertise spanning diamond industry operations, financial management, supply chain, trade compliance, corporate governance, and human capital management. Their collective profile equips the Board to provide holistic strategic oversight across all dimensions of the Company's business.

BOARD COMPOSITION & MEETING RECORD

As on March 31, 2026

Director	Board Meetings Held / Attended	Last AGM	Directorships in Public Cos.#	Committee Memberships / Chairmanships (Other Cos.)$
Gautam Pravinchandra Sheth	7 / 7	Yes	1	1 / -
Nidhi Gautam Sheth	7 / 7	Yes	-	- / -
Umeshbhai Rasiklal Gor	7 / 7	Yes	2	1 / 1
Pravin Manilal Parekh	7 / 7	Yes	-	- / -
Harshit Hasmukhbhai Vadecha	7 / 7	Yes	-	- / -

Excludes Private Companies, Foreign Companies, Section 8 Companies, 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 (excluding the reporting entity) have been considered. Total memberships include Committees where the Director serves as Chairperson.

3.4 Listed Entities & Nature of Directorship

Name of Director	Name of Listed Entity (excl. Gautam Gems Limited)	Category of Directorship
Gautam Pravinchandra Sheth	Ardi Investment and Trading Co. Ltd.	Managing Director
Nidhi Gautam Sheth	None	–
Umeshbhai Rasiklal Gor	1. Encode Packaging India Limited 2. Vivid Mercantile Limited	Non-Executive – Independent Non-Executive – Independent
Pravin Manilal Parekh	None	–
Harshit Hasmukhbhai Vadecha	None	–

3.5 Independence of Directors and Declarations

All Independent Directors of the Company have submitted their declarations of independence in accordance with Section 149(6) of the Companies Act, 2013, and Regulation 16(1)(b) and Regulation 25(8) of the SEBI Listing Regulations. Each Independent Director has confirmed that:

- They meet the criteria of independence as prescribed under the applicable laws;
- They are not aware of any circumstance or situation, existing or anticipated, that could impair or impact their ability to discharge their duties as Independent Director with an objective independent judgment and without any external influence;

In the opinion of the Board, the Independent Directors of the Company fulfil 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 each Independent Director, and as required under Regulation 46 of the SEBI Listing Regulations, the terms and conditions of their appointment are made available on the Company's website at https://www.gautamgems.com/cpo.php.

3.6 Relationship Disclosure

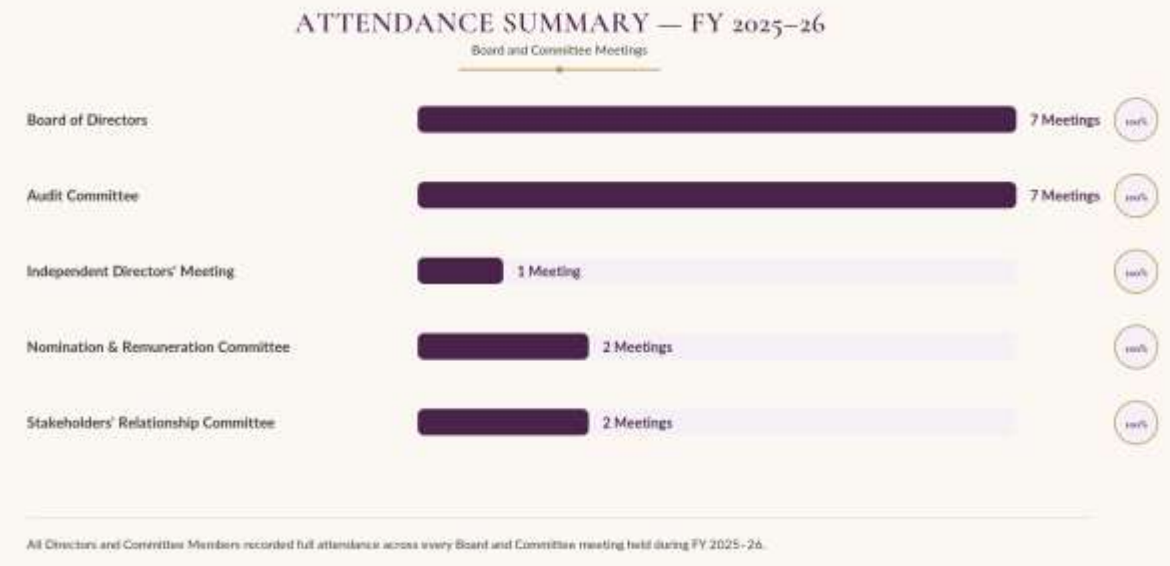
There are no inter-se relationships among the members of the Board, except that Mr. Gautam Pravinchandra Sheth (Managing Director) and Mrs. Nidhi Gautam Sheth (Executive Director) are spouses. No other Director is related to any other Director of the Company within the meaning of the term "relative" as defined under Section 2(77) of the Companies Act, 2013.

3.7 Shareholding of Non-Executive Directors

As on March 31, 2026, none of the Non-Executive Independent Directors hold any equity shares or convertible instruments of the Company. This ensures that their judgement and decision-making remain entirely independent of any pecuniary interest in the Company's equity, thereby strengthening the objectivity of Board oversight.

4. MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met seven (7) times during the financial year ended March 31, 2026. The dates of the meetings and the attendance of each Director are set out below. All meetings were held in physical mode and were conducted in compliance with the provisions of the Companies Act, 2013, Secretarial Standards on Meetings of the Board of Directors (SS-1) issued by the ICSI, and the applicable provisions of the SEBI Listing Regulations. The maximum time gap between any two consecutive Board Meetings did not exceed 120 days, as mandated under Section 173 of the Companies Act, 2013.



Yes – Attended | No – Not Attended

Board Meeting Attendance – FY 2025–26

The Board of Gautam Gems Limited recorded 100% attendance at all seven Board Meetings held during the financial year 2025–26. This exemplary attendance record reflects the deep commitment of each Director to their fiduciary responsibilities and to the effective governance of the Company. The Company's Board is guided by the principle that regular, well-prepared participation in Board deliberations is fundamental to effective oversight.

4.1 Agenda and Board Materials

The agenda for each Board meeting, together with detailed background notes, financial statements, and supporting documentation, is circulated to all Directors at least seven days prior to each meeting, in accordance with the requirements of Secretarial Standard SS-1. This practice ensures that Directors are adequately prepared to engage meaningfully in discussions and to exercise their judgment effectively. Where matters of urgency arise between scheduled meetings, the Board has established mechanisms for passing resolutions by circulation in compliance with the Companies Act, 2013.

4.2 Meeting Proceedings and Compliance

The proceedings of each Board meeting are recorded in detailed minutes, which are drafted, circulated and approved in accordance with SS-1. The signed minutes are maintained at the Registered Office of the Company. The Managing Director and the Company Secretary jointly oversee the preparation of the agenda, ensuring that all regulatory matters and strategic items receive timely attention. The Board has adopted a structured approach to meeting management, including a consent agenda for routine matters, to maximise deliberation time on strategic and oversight-intensive issues.

5. SKILLS, EXPERTISE & COMPETENCIES OF THE BOARD

The Board of Directors of Gautam Gems Limited is the custodian of the Company's strategic direction, governance framework, and stakeholder interests. In a business as nuanced and dynamic as diamond trading and manufacturing, the quality of the Board's collective knowledge — spanning finance, trade, technology, governance, and human capital — is a decisive determinant of long-term corporate performance and resilience.

In compliance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in the spirit of enhanced transparency and stakeholder communication, the Company presents a comprehensive disclosure of the skills, expertise and competencies of its Board of Directors for the financial year ended March 31, 2026.

The Board has identified ten (10) core competency domains that are essential to the effective governance and strategic oversight of Gautam Gems Limited, given its position as a diamond manufacturer and trader listed on BSE Limited. These domains have been defined keeping in mind the Company's current and evolving business needs, regulatory obligations, global market dynamics, and the multi-disciplinary nature of effective board stewardship.

5.1 The Ten Core Competency Domains

The following ten competency domains have been identified by the Nomination and Remuneration Committee and approved by the Board as the critical pillars of effective directorial contribution at Gautam Gems Limited:

Competency Domain	Description & Relevance to Gautam Gems Limited
Strategic Vision & Business Leadership	The ability to define and communicate a long-term strategic direction for the Company, align resources, and lead transformative decisions in a fast-changing global diamond market. Directors with this competency provide the Board with the capacity to evaluate strategic alternatives, assess M&A and expansion opportunities, and navigate disruptions including the rise of lab-grown diamonds and shifting consumer preferences with clarity and conviction.
Financial Acumen & Capital Allocation	Expertise in financial statement analysis, capital structure optimisation, treasury management, tax planning, and the assessment of investment returns. In a high-volume, thin-margin business like diamond trading, financial acumen is critical to ensuring that capital is deployed efficiently, working capital is managed rigorously, and shareholder returns are maximised. Directors with this skill oversee the Company's financial health with rigour and independence.
Diamond Industry Domain Expertise	A deep, granular understanding of the global diamond value chain — from rough diamond mining and sight holding to polishing economics, grading standards (GIA, HRD, IGI), commodity price dynamics, trading practices, and the competitive landscape. This expertise enables the Board to validate management's operational decisions, assess pricing and procurement strategies, and evaluate the Company's competitive positioning against Surat-based peers and global traders.
Export-Import & Global Trade	Proficiency in international trade laws, customs regulations, DGFT guidelines, FEMA compliance, and export documentation. The Company's regulatory compliance and commercial success in international markets depend on the Board's ability to provide effective oversight and strategic guidance of its trade compliance framework. This competency is especially important given the increasing complexity and evolving nature of global sanctions regimes
	Mastery of the Companies Act, 2013, SEBI (LODR) Regulations, Insider Trading Regulations, SEBI ICDR Regulations, environmental and labour laws, and related statutory compliance obligations of

Corporate Governance & Legal Compliance	listed entities. Directors with this domain expertise serve as guardians of the Company's governance architecture, ensuring that Board processes, disclosures, and stakeholder communications consistently meet or exceed regulatory requirements. This skill underpins investor confidence and regulatory trust.
Digital Transformation & Technology	Understanding of emerging technologies relevant to the diamond business — including AI-powered diamond grading and sorting, blockchain-based provenance and traceability platforms (e.g., De Beers GemFair), precision laser processing, CAD/CAM in jewellery design, and e-commerce diamond trading platforms (RapNet, IDEX). Directors with technology literacy help the Company evaluate digital investments, protect against cybersecurity risks, and adapt its business model to the digital future of the diamond trade.
Supply Chain & Procurement	Expertise in rough diamond sourcing (including from miners, sightholders, tenders, and open market), logistics, quality assurance, and the management of multi-tier supply chains. This includes knowledge of global rough diamond sourcing from major mining origins (Botswana, Russia, Canada, Angola, Zimbabwe), supply chain resilience planning, and vendor management. Effective supply chain oversight is essential to the Company's ability to secure quality rough at competitive prices in a globally competitive market.
Risk Oversight & Crisis Management	The capability to identify, assess, monitor, and mitigate enterprise-level risks — including commodity price risk, currency risk, counterparty credit risk, geopolitical risk, regulatory risk, and reputational risk. Directors with risk oversight expertise contribute to the robustness of the Company's risk management framework, ensuring that emerging threats are identified early and contingency plans are developed proactively.
Stakeholder Relations & ESG	Skills in managing relationships with investors, institutional shareholders, regulators, customers, employees, and the broader community; combined with expertise in Environmental, Social and Governance (ESG) frameworks including responsible sourcing, employee welfare, green operations, and sustainability reporting. As ESG standards gain traction among global buyers, this competency is increasingly material to the Company's market access and reputation.
Human Capital & Talent Development	Experience in building, developing, and retaining high-performing teams; establishing performance management frameworks; succession planning; and fostering an organisational culture of accountability, ethical conduct, and continuous learning. In a specialised industry like diamond trading where skilled artisans and domain experts are scarce, the Board's understanding of human capital strategy directly impacts the Company's ability to attract and retain the talent it needs to compete and grow.

5.2 BOARD's COLLECTIVE COVERAGE — STRUCTURED MATRIX

The table below presents the Board Skills Matrix in structured tabular form, cross-referencing each Director against the ten identified competency domains:

Skills / Expertise	Gautam P. Sheth (MD)	Nidhi G. Sheth (ED)	Umesh R. Gor (ID)	Pravin M. Parekh (ID)	Harshit H. Vadecha (ID)
Strategic Vision & Business Leadership	✓		✓		✓
Financial Acumen & Capital Allocation	✓	✓	✓	✓	
Diamond Industry Domain Expertise	✓	✓			✓
Export-Import & Global Trade	✓	✓			✓
Corporate Governance & Legal Compliance	✓	✓	✓		✓
Digital Transformation & Technology	✓				✓
Supply Chain & Procurement	✓	✓			✓
Risk Oversight & Crisis Management	✓		✓	✓	
Stakeholder Relations & ESG		✓	✓	✓	✓
Human Capital & Talent Development			✓	✓	✓

Note: The matrix reflects primary areas of demonstrated expertise. Directors may possess knowledge across additional domains not listed herein. The Board collectively covers all 10 identified competency domains, confirming the adequacy of its composition.

5.3 Director Qualifications and Profiles

Mr. Gautam Pravinchandra Sheth, Managing Director, brings to the Board over a decade of deep domain expertise in diamond manufacturing and international trade. His entrepreneurial leadership has been instrumental in positioning Gautam Gems Limited as a trusted name in the rough and polished diamond trade. His understanding of the Surat diamond ecosystem, global diamond markets, and the regulatory framework governing the gem and jewellery sector provides the Board with strategic insight of the highest order.

Mrs. Nidhi Gautam Sheth, Executive Director, contributes specialised knowledge in financial management, treasury operations, and supply chain coordination. Her presence on the Board and the Audit Committee ensures that the executive perspective on financial matters is effectively represented in Committee deliberations, while her understanding of the Company's operational dynamics supports cohesive decision-making.

Mr. Umeshbhai Rasiklal Gor, Non-Executive Independent Director and Chairperson of the Audit Committee, brings broad expertise in corporate governance, regulatory compliance, and financial oversight. His directorial roles across multiple listed entities equip him with the comparative perspective essential to objective, independent evaluation.

Mr. Pravin Manilal Parekh, Non-Executive Independent Director and Chairperson of the Nomination and Remuneration Committee, contributes expertise in industry knowledge, human capital management and governance frameworks. His experience supports the Committee in formulating remuneration policies aligned with Company performance and industry standards.

Mr. Harshit Hasmukhbhai Vadecha, Non-Executive Independent Director, brings competencies spanning corporate governance, trade compliance, technology and supply chain management. His multi-disciplinary expertise enriches Board deliberations with fresh perspectives, particularly on digital transformation and operational efficiency.

6. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In compliance with Regulation 25(7) of the SEBI Listing Regulations, the Company has established a structured Familiarization Programme for Independent Directors. The objective of this programme is to ensure that Independent Directors are regularly updated on the Company's business model, operations, strategic initiatives, the regulatory framework applicable to the Company, and the rights and responsibilities of Independent Directors.

The Familiarization Programme encompasses the following elements:

- An induction session at the time of appointment of a new Independent Director, covering the Company's history, diamond industry overview, business model, organisational structure, key business drivers and the regulatory environment governing listed companies in India;
- Regular presentations by the management team on business developments, financial performance, operational updates, and industry trends during Board and Committee meetings;
- Site visits and operational briefings to provide Independent Directors with first-hand experience of the Company's day-to-day operations;
- Periodic updates on changes in laws, regulations and governance standards, with particular focus on the Companies Act, 2013, SEBI Listing Regulations and other applicable frameworks;

- Distribution of relevant publications, regulatory circulars and research materials on governance and industry developments.

Details of the Familiarization Programme imparted to the Independent Directors during the financial year are available on the Company's website at https://www.gautamgems.com/cpo.php, in compliance with the requirements of Regulation 46 of the SEBI Listing Regulations.

7. PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS

The Company has instituted a formal, structured mechanism for annual performance evaluation of the Board, its Committees, and individual Directors, including the Chairperson, in accordance with Section 134 and Section 149(8) of the Companies Act, 2013, and Regulation 17(10) and Schedule II of the SEBI Listing Regulations. The performance evaluation framework has been developed based on guidance notes issued by the Securities and Exchange Board of India and best practices followed by leading listed companies.

7.1 Evaluation Framework

The evaluation process is structured around a comprehensive questionnaire-based methodology covering both quantitative and qualitative dimensions of Board effectiveness. The key parameters under evaluation include:

Board / Committee Evaluation Parameters	Individual Director Evaluation Parameters
Board composition, structure and diversity	Attendance and participation at meetings
Clarity and effectiveness of strategic direction	Quality and depth of contribution to Board discussions
Independence and objectivity of deliberations	Domain knowledge and preparedness
Information flow and decision-making processes	Understanding of regulatory and compliance landscape
Oversight of management and implementation	Exercise of independent judgment
Board dynamics and culture of constructive debate	Commitment to stakeholder interests
Succession planning and talent pipeline	Engagement with senior management

The performance of the Board and Committees was evaluated by the full Board (excluding the Director being evaluated, where applicable). 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 and noted the results of the evaluation process.

The outcome of the evaluation for the financial year 2025–26 confirmed that the overall performance of the Board, its Committees and individual Directors was effective and satisfactory. The Board engaged in a constructive discussion of the evaluation findings and identified specific measures to further enhance Board effectiveness in the coming year, including increased focus on strategic risk oversight, deeper engagement with ESG considerations, and enhanced succession planning.

7.2 Resignation of Independent Directors

During the financial year 2025–26, no Independent Director resigned before the completion of their respective term. The Board confirms that there were no circumstances during the year that necessitated the early departure of any Independent Director, and the Board's independence and compositional integrity remained intact throughout the year.

8. MEETING OF INDEPENDENT DIRECTORS

In accordance with Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25(3) of the SEBI Listing Regulations, the Independent Directors of the Company held a separate meeting during the financial year 2025–26, without the presence of Executive Directors and management. The Independent Directors' Meeting provides a forum for candid assessment of the Board's functioning, the quality of management reporting to the Board, and the overall governance health of the Company.

At this meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors, including the Managing Director and Executive Director;
- Assessed the performance of the Board as a whole, considering the effectiveness of strategic oversight and the adequacy of information provided to the Board;
- Evaluated the performance of the Chairperson of the Board, taking into account the views of Executive and Non-Executive Directors;
- Considered the quality, quantity and timeliness of information flow between the Company's management and the Board.

The Independent Directors noted that the Board's functioning was satisfactory and that the information provided by management was adequate, timely and of appropriate quality to enable effective decision-making. The note:

The Company does not fall within the top 2,000 listed entities by market capitalisation as defined under SEBI norms, and accordingly is not obligated to hold two separate meetings of Independent Directors per year.

9. COMMITTEES OF THE BOARD

The Board has constituted the following Committees in accordance with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations: (a) Audit Committee; (b) Nomination and Remuneration Committee; and (c) Stakeholders' Relationship Committee. In addition, the Board constitutes a Committee of Directors as and when required to address specific operational or administrative matters. Each Committee functions under a clearly defined charter approved by the Board, operates with appropriate delegation of authority, and reports its recommendations and findings to the Board for information or approval. The Company Secretary serves as Secretary to all Board Committees.

All recommendations made by the Committees to the Board during the financial year 2025–26 were duly considered and accepted by the Board. No recommendation of any Committee was rejected, modified or not implemented by the Board during the year.

BOARD & COMMITTEE COMPOSITION

As on March 31, 2026

Audit Committee

7 Meetings held in FY 2025-26

- Mr. Umeshbhai Rasiklal Gor
  Non-Executive – Independent
  CHAIRPERSON
- Mr. Pravin Manilal Parekh
  Non-Executive – Independent
  MEMBER
- Mrs. Nidhi Gautam Sheth
  Promoter – Executive Director
  MEMBER
- Mr. Harshit H. Vadecha
  Non-Executive – Independent
  MEMBER

Nomination & Remuneration Committee

2 Meetings held in FY 2025-26

- Mr. Pravin Manilal Parekh
  Non-Executive – Independent
  CHAIRPERSON
- Mr. Harshit H. Vadecha
  Non-Executive – Independent
  MEMBER
- Mr. Umeshbhai Rasiklal Gor
  Non-Executive – Independent
  MEMBER

Stakeholders' Relationship Committee

2 Meetings held in FY 2025-26

- Mrs. Nidhi Gautam Sheth
  Promoter – Executive Director
  CHAIRPERSON
- Mr. Harshit H. Vadecha
  Non-Executive – Independent
  MEMBER
- Mr. Umeshbhai Rasiklal Gor
  Non-Executive – Independent
  MEMBER

9(A). AUDIT COMMITTEE

Constitution and Composition

The Audit Committee has been constituted in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations. The composition, role and operational framework of the Committee are designed to ensure rigorous, independent oversight of the financial reporting process, internal controls, and the external and internal audit functions.

The Chairperson of the Audit Committee, Mr. Umeshbhai Rasiklal Gor, is a Independent Director with extensive expertise in finance, accounting and corporate governance, and is fully conversant with financial and accounting matters, consistent with the requirements of Regulation 18(1)(c) of the SEBI Listing Regulations. The Chairperson of the Audit Committee was present at the last Annual General Meeting to address queries from shareholders.

Roles and Powers of the Audit Committee

The Audit Committee operates under a comprehensive charter that encompasses all the responsibilities mandated under Section 177 of the Companies Act, 2013 and Part C of Schedule II to the SEBI Listing Regulations. The key responsibilities include:

A. Financial Reporting Oversight

- Oversight of the Company's financial reporting process and the disclosure of its financial information, ensuring that financial statements are correct, sufficient and credible
- Review of the annual and quarterly financial statements, including the auditor's report thereon, before submission to the Board, with specific attention to:
  - Changes in accounting policies and practices and the reasons therefor
  - Major accounting entries involving management estimates and judgements
  - Significant adjustments in financial statements arising from audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Approval and disclosure of related party transactions
  - Review of modified opinions, if any, in the draft audit report

B. Audit Functions

- Recommendation to the Board regarding the appointment, re-appointment, and remuneration of the Statutory Auditor and terms of engagement
- Approval of payment to Statutory Auditors for services rendered, including non-audit services
- Review and monitoring of the independence and performance of the Statutory Auditor and the effectiveness of the audit process
- Discussion with Statutory Auditors before audit commencement on the nature, scope and approach of the audit, and post-audit discussion to evaluate findings
- Review of the adequacy of the internal audit function, including structure, staffing, reporting lines and frequency of internal audits
- Discussion with Internal Auditors on significant findings and follow-up thereon

- Review of Internal Auditor's findings relating to suspected fraud, irregularity or failure of internal control systems, and reporting to the Board

C. Risk and Internal Controls

- Evaluation of internal financial controls and risk management systems
- Review with management of the performance of Statutory and Internal Auditors and the adequacy of internal control systems
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company when necessary

D. Related Party Transactions

- Approval and modification of transactions with related parties under Regulation 23 of the SEBI Listing Regulations
- Oversight of Related Party Transaction disclosures under Ind AS 24

E. Vigil Mechanism (Whistle Blower Policy)

- Overseeing the implementation and operation of the Company's Whistle Blower Policy, including providing direct access to the Chairperson for reporting genuine concerns

F. Mandatory Review Items

The Audit Committee mandatorily reviews the following information at its meetings:

- Management Discussion and Analysis of financial condition and results of operations
- Management letters and letters of internal control weaknesses issued by the Statutory Auditors
- Internal audit reports relating to internal control weaknesses
- Statement of deviations in utilisation of issue proceeds (Quarterly and Annual), as applicable
- Appointment, removal and terms of remuneration of the Chief Internal Auditor

Meetings of the Audit Committee – FY 2025–26

During the financial year 2025–26, the Audit Committee met seven (7) times on 5th April, 2025; 26th May, 2025; 30th May, 2025;11th August, 2025; 4th September, 2025;17th October,2025 and 13th February,2026. The time gap between any two consecutive meetings did not exceed 120 days, in compliance with Regulation 18(2)(a) of the SEBI Listing Regulations. All members of the Committee attended all meetings held during the year, demonstrating their full commitment to their oversight responsibilities.

Yes – Attended | No – Not Attended

9(B). NOMINATION AND REMUNERATION COMMITTEE

Constitution and Composition

The Nomination and Remuneration Committee ("NRC") has been constituted in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D(A) of Schedule II of the SEBI Listing Regulations. The NRC plays a pivotal role in shaping the Company's governance architecture by ensuring that the Board and senior management are composed of individuals with the right mix of skills, experience and integrity, and that remuneration frameworks appropriately incentivise performance while maintaining equity and transparency.

Terms of Reference

- Formulation of criteria for determining qualifications, positive attributes and independence of a Director, and recommending to the Board a policy on the remuneration of Directors, Key Managerial Personnel and other employees
- For every appointment of an Independent Director, evaluating the balance of skills, knowledge and experience on the Board and preparing a description of the role and capabilities required, considering candidates from diverse backgrounds with appropriate time commitments
- Formulation of criteria for evaluation of performance of Independent Directors and the Board
- Devising and periodically reviewing a policy on diversity of the Board
- Identifying persons qualified to become Directors and to be appointed in Senior Management, and recommending their appointment and removal
- Extending or continuing the term of appointment of an Independent Director on the basis of the performance evaluation report
- Recommending to the Board all remuneration in any form payable to Senior Management

Meetings of the NRC – FY 2025–26

During the financial year 2025–26, the Nomination and Remuneration Committee met two (2) times on 4th September, 2025 and 13th February, 2026. All members were present at both meeting.

Yes – Attended | No – Not Attended

Remuneration Policy

The Company's Remuneration Policy, formulated by the NRC and approved by the Board, provides a structured and transparent framework for determining the remuneration of Directors, Key Managerial Personnel and other employees. The Policy is designed to achieve three core objectives: (a) attracting and retaining qualified individuals with the skills necessary for effective governance and business management; (b) ensuring that remuneration is directly linked to individual and organisational performance; and (c) maintaining equity, transparency and compliance with applicable laws.

Key Features of the Remuneration Policy

Category	Remuneration Structure
Executive Directors (MD/WTD)	Fixed salary and allowances, subject to shareholder approval and within limits prescribed under Schedule V of the Companies Act, 2013. Performance-linked variable pay components may be introduced upon recommendation by the NRC. No stock options were granted during FY 2025–26.
Non-Executive Independent Directors	Sitting fees for attending meetings of the Board and Committees, as approved by the Board and within statutory limits. Commission, if any, subject to shareholder approval. No commission was paid during FY 2025–26.
Key Managerial Personnel (KMPs)	Fixed compensation with performance-linked variable components based on individual KPIs and Company financial performance. Reviewed annually by the NRC.
Senior Management	Fixed and variable components based on role, seniority, market benchmarks and individual performance. Designed to attract and retain talent in the competitive diamond industry.

Remuneration Paid to Directors – FY 2025–26

The following table provides a summary of the remuneration paid to the Directors of the Company during the financial year 2025–26:

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

Note: Sitting fees and commission to Non-Executive Directors are authorised under law but were not paid during the year under review. The Company's equity shares are not listed on NSE; accordingly, there is no market comparator for Executive Director compensation within the context of NSE listed companies. Service contracts of Executive Directors are governed by the terms of their appointment as approved by shareholders; no separate service contracts with special provisions for severance or notice pay have been entered into. No stock options were granted, accrued or exercised during FY 2025–26.

9(C). STAKEHOLDERS' RELATIONSHIP COMMITTEE

Constitution and Composition

The Stakeholders' Relationship Committee ("SRC") has been constituted in accordance with Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Committee is the dedicated forum for ensuring that the interests of the Company's shareholders and other security holders receive continuous and focused attention. Its constitution reflects the Company's commitment to the highest standards of investor service and grievance redressal.

Scope and Terms of Reference

- Redressal of shareholders' and investors' complaints including: allotment, transfer, transmission, split and consolidation of shares; issue of duplicate certificates; non-receipt of share certificates, dividends, interest or annual reports; and any other grievance arising in the discharge of the Company's duties to its security holders
- Review of the process and mechanism for redressal of shareholder grievances and recommendation of improvements to the system

- Efficient transfer of shares, review of cases for refusal of transfer or transmission
- Review of measures taken for effective exercise of voting rights by shareholders
- Review of adherence to service standards adopted by the Company in respect of services rendered by the Registrar and Share Transfer Agent
- Review of measures and initiatives taken by the Company to reduce the quantum of unclaimed dividends and ensure timely receipt of dividend warrants, annual reports and statutory notices
- Oversight of the implementation and compliance of the Code of Conduct for Prevention of Insider Trading under the SEBI (PIT) Regulations, 2015

Meetings of the SRC – FY 2025–26

The Meeting of Committee was held on 4th September, 2025 and 13th February, 2026.

Investor Grievance Redressal Status – FY 2025–26

Particulars	Number
Number of investor complaints received during FY 2025–26	Nil
Number of complaints resolved during the year	Nil
Complaints not resolved to the satisfaction of shareholders	Nil
Number of pending complaints as on March 31, 2026	Nil

The Company is pleased to report that there were no investor complaints received during the financial year 2025–26. This outcome reflects the effectiveness of the Company's investor service processes, the efficiency of its Registrar and Share Transfer Agent (KFin Technologies Limited), and the proactive communication maintained with shareholders. The Compliance Officer, Ms. Krina Thakkar, Company Secretary, is the designated point of contact for shareholder queries and grievances. Her details are provided in the General Shareholder Information section of this Report.

10. KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The Key Managerial Personnel ("KMPs") of the Company, as defined under Section 2(51) and Section 203 of the Companies Act, 2013, as on March 31, 2026 are:

Sr.	Name	Designation
1	Mr. Gautam Pravinchandra Sheth	Managing Director
2	Mr. Dishant Daxeshbhai Jagad	Chief Financial Officer (CFO)
3	Ms. Krina Thakkar	Company Secretary and Compliance Officer

Changes during FY 2025–26: There were no changes in the Key Managerial Personnel of the Company during the financial year under review. All three KMPs continued in their respective positions throughout the year.

Role of the Compliance Officer

Ms. Krina Thakkar, Company Secretary and Compliance Officer, serves as the primary interface between the Company, its shareholders and the regulatory authorities. She is responsible for ensuring compliance with the Companies Act, 2013, the SEBI Listing Regulations, and all other applicable laws and regulations. She oversees the Board secretarial function, manages investor correspondence, coordinates the filing of statutory returns and disclosures, and provides guidance to the Board and management on governance and compliance matters. Shareholders and investors may contact Ms. Thakkar at complianceggl@gmail.com .

11. GENERAL BODY MEETINGS

Annual General Meetings – Last Three Years

Year	Date	Time	Venue / Mode	Special Resolutions Passed
2024–25	27 Sep 2025	03:00 PM	Video Conferencing (VC / OAVM)	No Special Resolution was passed
2023–24	30 Sep 2024	12:00 Noon	Video Conferencing (VC / OAVM)	
2022–23	30 Sep 2023	12:00 Noon	Registered Office, Surat	

ANNUAL GENERAL MEETINGS — LAST THREE YEARS

	FY 2024–25	FY 2023–24	FY 2022–23
Date	27 Sep 2025	30 Sep 2024	30 Sep 2023
Time	03:00 PM	12:00 Noon	12:00 Noon
MODE / VENUE	Video Conferencing (VC / OAVM)	Video Conferencing (VC / OAVM)	Registered Office, Surat
SPECIAL RESOLUTIONS	No Special Resolution was passed	–	–

Extraordinary General Meeting

During the financial year 2025–26, no Extraordinary General Meeting (EGM) was held.

Postal Ballot

During the financial year 2025–26, the Company did not conduct any resolution through the Postal Ballot process. None of the resolutions proposed for the 13th Annual General Meeting scheduled to be held on September 20, 2026, requires passing by way of Special Resolution through Postal Ballot under the Companies Act, 2013.

The procedure for postal ballot, as and when applicable, will be conducted in accordance with Section 110 read with Section 108 of the Companies Act, 2013, Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI Listing Regulations, and Secretarial Standards on General Meetings (SS-2), as amended. E-voting facilities will be provided to shareholders in compliance with MCA circulars and SEBI guidelines applicable at the relevant time.

12. MEANS OF COMMUNICATION

The Company is committed to maintaining open, timely and transparent communication with its shareholders and the broader investment community. All material information relating to the Company's financial results, business developments, regulatory disclosures and governance updates is disseminated through multiple channels to ensure maximum reach and accessibility.

Communication Channel	Details
Quarterly / Annual Financial Results	Unaudited quarterly and half-yearly results are announced within 45 days of close of the respective period. Audited annual results are published within 60 days of the financial year end, in compliance with SEBI Listing Regulations.

Stock Exchange Filing	All results and material disclosures are submitted electronically to BSE Limited through the BSE Listing Centre portal, ensuring immediate market access.
Newspapers	Financial results and statutory notices are published in: Indian Express, Business Standard (English edition) and Financial Express, Gujarat Guardian (Gujarati edition).
Company Website	All disclosures, financial results, shareholding patterns, policies, corporate announcements and investor communications are available at www.gautamgems.com
Annual Report	Comprehensive Annual Report including Financial Statements, Board's Report, and this Corporate Governance Report is dispatched to all shareholders and filed with the Stock Exchange.
Investor Presentations	No separate investor/analyst presentations were made during FY 2025–26. Material information is filed with BSE and published on the Company's website.

13. GENERAL SHAREHOLDER INFORMATION

Particulars	Details
13th Annual General Meeting	30th September, 2026 at 01:00 PM via Video Conferencing (VC) / Other Audio-Visual Means (OAVM) Deemed Venue: 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat – 395004, Gujarat
Financial Year	1st April, 2025 to 31st March, 2026
Book Closure Dates	Not Applicable
Dividend Payment Date	No dividend has been recommended for FY 2025–26. Resources are being conserved for future business expansion.
Stock Exchange Listing	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 BSE Scrip Code: 540936 ISIN: INE063Z01017
Annual Listing Fees	The Company has duly paid the Annual Listing Fees for FY 2025–26 to BSE Limited.
Suspension from Trading	During FY 2025–26, there was no instance of suspension of the Company's securities from trading on BSE.

13.1 Registrar and Share Transfer Agent (RTA)

Particulars	Details
Name	KFin Technologies Limited (formerly Karvy Fintech Private Limited)

Registered Office	301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai, Maharashtra, 400070
Corporate Office	Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032
Telephone	+91-40-6716 1526
Fax	+91-40-2300 1153
Email	einward.ris@kfintech.com
Website	www.kfintech.com
SEBI Registration No.	INR000000221

KFin Technologies Limited maintains the necessary infrastructure and electronic connectivity with both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) to provide efficient, seamless services to investors. All shareholders are advised to contact the RTA directly for matters relating to share transfers, transmission, change of address and bank mandate, dividend queries, and other share-related transactions.

13.2 Share Transfer System

Pursuant to Regulation 40(1) of the SEBI Listing Regulations and SEBI circular dated January 25, 2022, transfers of equity shares of the Company in physical form are not permitted. Accordingly, all share transfer and service requests including issuance of duplicate certificates, transmission, consolidation, sub-division are processed exclusively in dematerialised form.

Upon successful processing of eligible service requests, the RTA issues a Letter of Confirmation (LOC) in lieu of physical share certificates. The LOC is valid for a period of 120 days, within which the securities holder is required to dematerialise the securities in accordance with SEBI guidelines. A Practicing Company Secretary (PCS) conducts a quarterly Reconciliation of Share Capital Audit, the report of which is submitted to BSE within 30 days of the close of each quarter. This audit confirms the reconciliation of the total issued and listed capital with the figures of the depositories and physical mode, ensuring accuracy and preventing discrepancies.

13.3 Distribution of Shareholding – March 31, 2026

Sr.	Range (No. of Shares)	No. of Cases	% of Cases	Amount (₹)	% of Amount
1	1 – 5,000	22051	96.44	9032838	19.59
2	5,001 – 10,000	441	1.93	3229824	7.00
3	10,001 – 20,000	197	0.86	2884988	6.26

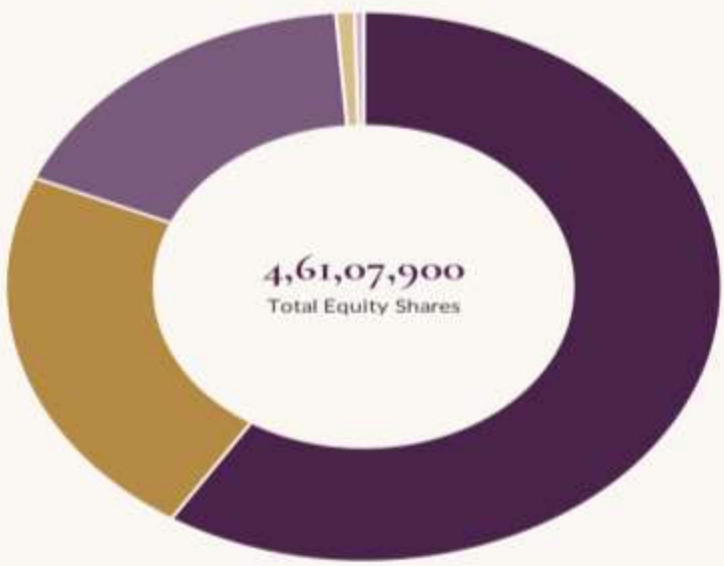
4	20,001 – 30,000	68	0.30	1679125	3.64
5	30,001 – 40,000	28	0.12	1002055	2.17
6	40,001 – 50,000	13	0.06	595912	1.29
7	50,001 – 1,00,000	30	0.13	2149584	4.66
8	1,00,001 and above	37	0.16	25533574	55.38
	Total	**22865**	**100.00**	**46107900**	**100.00**

13.4 Shareholding Pattern (Category-wise) – March 31, 2026

Category of Shareholder	No. of Shares	% Shareholding
Promoters and Promoter Group	1,03,57,167	22.46%
Resident Individuals	2,69,15,448	58.37%
Non-Resident Indians (NRIs)	1,91,767	0.42%
Bodies Corporate	83,00,425	18.00%
Clearing Members	-	0.00%
HUF (Hindu Undivided Families)	3,43,093	0.74%
Total	**4,61,07,900**	**100.00%**

SHAREHOLDING PATTERN — MARCH 31, 2026

Category-wise Distribution of Equity Shares



13.5 Dematerialisation of Shares and Liquidity

The Company's equity shares are compulsorily traded in dematerialised form. Dematerialisation facilities are available through both the depositories — National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2026, approximately 100% of the issued and paid-up share capital of the Company is held in electronic (dematerialised) form.

Mode of Holding	No. of Shareholders	No. of Shares	% of Total Equity
NSDL (National Securities Depository Limited)	3,267	1,49,07,392	32.33%
CDSL (Central Depository Services (India) Limited)	19,548	3,12,00,458	67.67%
Physical	50	50	0.0001%
Total	**22,865**	**4,61,07,900**	**100%**

13.6 Outstanding GDRs / ADRs / Warrants / Convertible Instruments

As on March 31, 2026, the Company has no outstanding Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Warrants or convertible instruments of any description, the conversion of which would have any impact on the equity share capital of the Company.

13.7 Commodity Price Risk / Foreign Exchange Risk and Hedging

The Company is engaged in the trading of rough and polished diamonds, a business that involves exposure to international diamond price movements and foreign currency risk. However, given the nature and scale of the Company's current operations, management considers the commodity price risk and foreign exchange risk to be within manageable limits. The Company does not currently engage in commodity trading that would require disclosure under the SEBI Master Circular dated July 11, 2023. The Company also does not undertake any formal foreign exchange hedging activities, as it does not have material foreign currency exposure at this time.

13.8 Plant Locations

The Company conducts all its business operations from its Registered Office: 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat – 395004, Gujarat. There are no other offices, plants or manufacturing locations as of March 31, 2026.

13.9 Address for Correspondence

Particulars	Details
Registrar & Share Transfer Agent	KFin Technologies Limited Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032 Tel: +91-40-6716 1526 Email: einward.ris@kfintech.com Website: www.kfintech.com
Company / Compliance Officer	Ms. Krina Thakkar Company Secretary & Compliance Officer 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat – 395004, Gujarat CIN: L36911GJ2014PLC078802 Email: complianceggl@gmail.com Phone: 0261-2538046 Website: www.gautamgems.com

13.10 Credit Ratings

The Company has not obtained any credit rating for debt instruments, fixed deposit programmes, or any fund mobilisation scheme during the financial year 2025–26. Accordingly, this disclosure is not applicable.

14. OTHER DISCLOSURES

14.1 Related Party Transactions

All transactions entered into by the Company with related parties, as defined under the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations, during the financial year 2025–26 were carried out in the ordinary course of business and on an arm's length basis. There were no materially significant related party transactions during the year that could have potential conflict with the interests of the Company at large.

Disclosures as required under Indian Accounting Standard (Ind AS) 24 — Related Party Disclosures — have been made in the Notes to the Standalone Financial Statements. Senior management personnel have submitted declarations to the Board regarding material financial and commercial transactions where they may have had personal interests, and it is confirmed that no such conflict of interest was reported during the year.

The Company received loans from a Director and paid remuneration to Directors during the year under review, details of which are provided in the Notes to the Financial Statements and in Form AOC-2 forming part of the Annual Report. The Company's Policy on Related Party Transactions is available at https://gautamgems.com/cpo.php.

14.2 Non-Compliance, Penalties and Strictures

There have been no instances of non-compliance by the Company, and no penalties or strictures have been imposed on the Company by the Stock Exchange (BSE), SEBI, or any other statutory authority on any matter related to capital markets during the last three financial years, except as disclosed in the Secretarial Audit Report included in the Annual Report for the respective years.

14.3 Vigil Mechanism / Whistle Blower Policy

The Company has adopted a comprehensive Whistle Blower Policy and Vigil Mechanism in compliance with Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, as well as the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations").

The Policy provides a secure and confidential channel for Directors, employees, contractors and other stakeholders to report genuine concerns about unethical behaviour, actual or suspected fraud, violation of the Company's Code of Conduct, or breach of applicable laws and regulations.

The key features of the Policy include:

- Direct access to the Chairperson of the Audit Committee for reporting serious concerns
- Confidentiality of the identity of the person raising a concern, to the extent permitted by law
- Strict prohibition on victimisation or retaliatory action against any person who raises a genuine concern in good faith
- A structured escalation process ensuring that all complaints are reviewed at the appropriate level and addressed within defined timelines
- Annual review of the Policy by the Audit Committee to ensure continued effectiveness

It is confirmed that no employee or stakeholder was denied access to the Audit Committee during the financial year 2025–26. The Whistle Blower Policy is available on the Company's website at https://gautamgems.com/cpo.php.

14.4 Compliance with Mandatory and Discretionary Requirements

The Company has complied with all mandatory requirements of the SEBI Listing Regulations. The status of adoption of the discretionary requirements specified in Part E of Schedule II to the SEBI Listing Regulations is as follows:

Discretionary Requirement	Status
Non-Executive Chairperson's Office Expenses	The Chairperson of the Audit Committee (Mr. U.R. Gor) is Independent. The Company does not maintain a separate chairperson's office at its expense.

Shareholders' Rights	All disclosures are made on a non-discretionary basis to all shareholders. Financial results and other information are available on the Company website and BSE.
Audit Qualification	The financial statements for FY 2025–26 are free from any audit qualification, reservation or adverse remark. This standard is maintained.
Internal Auditor Reporting	The Internal Auditor is a permanent invitee to the Audit Committee meetings and presents audit findings directly to the Committee on a regular basis.
Separation of Chairperson and MD/CEO	The Board Chairperson (Mr. Umeshbhai Rasiklal Gor, Independent Director) and the Managing Director (Mr. Gautam P. Sheth) are separate individuals and are not related to each other.
Independent Directors' Meetings	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 entities by market capitalization as per SEBI norms; it is not required for the Company at present. Will be constituted when applicable.

14.5 Policy on Material Subsidiaries

The Company does not have any material subsidiary as per the criteria specified in Regulation 16(1)(c) of the SEBI Listing Regulations as on March 31, 2026. The Policy for determining Material Subsidiaries is available on the Company's website at https://www.gautamgems.com/cpo.php.

It may be noted that the Board approved an Overseas Direct Investment (ODI) in AG Corporation Ltd., a company incorporated in the United Kingdom, with the intention of making it a Wholly Owned Subsidiary (WOS). The remittance of the subscription amount (GBP 1,00,000) towards share capital remains pending as of March 31, 2026. Accordingly, AG Corporation Ltd. has not yet been recognised as a WOS under applicable Indian regulatory and accounting standards. The Company shall ensure full compliance with the Companies Act, 2013, SEBI Listing Regulations, FEMA guidelines, and other applicable laws upon completion of the capital infusion.

14.6 Policy on Related Party Transactions

The Company's Policy on Related Party Transactions, formulated in accordance with Section 188 of the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations, governs the identification, approval and monitoring of related party transactions.

The Policy ensures that all such transactions are entered into on an arm's length basis in the ordinary course of business, and that the Audit Committee exercises appropriate oversight. The Policy is available at https://www.gautamgems.com/cpo.php.

14.7 Utilisation of Issue Proceeds (QIP / Preferential Allotment)

During the financial year 2025–26, the Company did not raise any funds through preferential allotment or qualified institutions placement (QIP). Accordingly, the disclosure required under Regulation 32(7A) of the SEBI Listing Regulations is not applicable.

14.8 Certificate on Directors' Disqualification

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 Practicing Company Secretary confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors by SEBI or the Ministry of Corporate Affairs or any other statutory authority is annexed to this Report and marked as Annexure I.

14.9 Acceptance of Committee Recommendations

During the financial year 2025–26, the Board of Directors accepted all recommendations made by its mandatory Committees — the Audit Committee, the Nomination and Remuneration Committee, and the Stakeholders' Relationship Committee. There is no instance of the Board not accepting or deferring the implementation of any Committee recommendation. This reflects the robust functioning of the Committee framework and the alignment between Committee deliberations and Board decision-making.

14.10 Total Fees to Statutory Auditors

The statutory audit fees paid to the Statutory Auditors during FY 2025–26 were paid exclusively for the audit services rendered. The Company has not availed any other services from the network firm or network entity of which the Statutory Auditor is a part. The details of the fees paid are disclosed in the Notes to the Financial Statements forming part of the Annual Report.

14.11 Disclosures under the Sexual Harassment of Women at Workplace (POSH) Act, 2013

The Company has complied with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"), including the requirement to constitute an Internal Complaints Committee (ICC). The Company is committed to providing a safe, respectful and harassment-free workplace for all its employees, including women.

Particulars	Status
Number of complaints filed during FY 2025–26	Nil
Number of complaints disposed of during the year	Nil
Number of complaints pending as at March 31, 2026	Nil

14.12 Disclosure of Agreements Binding the Listed Entity

There are no agreements as contemplated under Clause 5A of Paragraph A, Part A of Schedule III of the SEBI Listing Regulations that are binding on the Company or its management or control. The Company confirms that no shareholder agreement, joint venture agreement or any other agreement of a similar nature exists that restricts or modifies the governance or management of the Company.

14.13 Loans and Advances in Nature of Loans to Related Entities

During the financial year 2025–26, the Company has not extended any loans or advances in the nature of loans to firms or companies in which any Director of the Company is interested, as defined under the Companies Act, 2013 and applicable SEBI Listing Regulations.

15. DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

In compliance with Schedule V, Clause F of the SEBI Listing Regulations, the following is a disclosure in respect of equity shares of the Company lying in the Demat Suspense Account or Unclaimed Suspense Account:

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate shareholders and outstanding shares in suspense account at beginning of year	Nil	Nil
Shareholders who approached for transfer of shares from suspense account during year	Nil	Nil
Shareholders to whom shares were transferred from suspense account during year	Nil	Nil
Aggregate shareholders and outstanding shares in suspense account at end of year	Nil	Nil

Note: Voting rights on shares lying in the Demat Suspense Account / Unclaimed Suspense Account, if any, shall remain frozen until the rightful owners claim the same.

16. DECLARATION REGARDING COMPLIANCE WITH CODE OF CONDUCT

As required under Regulation 26(3) of the SEBI Listing Regulations, a declaration signed by the Managing Director of the Company confirming compliance with the Code of Conduct by all members of the Board of Directors and Senior Management Personnel for the financial year ended March 31, 2026, is appended herewith as part of this Annual Report and marked as Annexure III.

17. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

In accordance with Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, a Certificate from a Practicing Company Secretary confirming that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations is annexed to this Annual Report as Annexure II. This Certificate also confirms that:

- None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI or the Ministry of Corporate Affairs or any such statutory authority;
- The Company has maintained all the required registers, records, documents and made all the filings required under the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations;
- The Board Committees are properly constituted and have functioned as required by the applicable laws throughout the financial year.

18. CERTIFICATE FROM CHIEF FINANCIAL OFFICER (CFO)

In compliance with Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, the Chief Financial Officer of the Company has certified to the Board of Directors that:

- The financial statements and the cash flow statement for the financial year ended March 31, 2026 do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading, and fairly present the true and fair view of the Company's state of affairs, the results of operations and cash flows;
- To the best of their knowledge and belief, no transactions entered into by the Company during the financial year are fraudulent, illegal or violative of the Company's Code of Conduct;
- The Company accepts responsibility for establishing and maintaining internal controls for financial reporting, and has evaluated the effectiveness of such controls, and has disclosed any material deficiencies, if any, to the Statutory Auditors and Audit Committee;
- Significant changes in internal control over financial reporting during the year, if any, have been disclosed to the Auditors and the Audit Committee;

- There are, to the best of their knowledge and belief, no significant changes in accounting policies during the year other than those already disclosed in the notes to the financial statements.

The CFO Certificate for FY 2025–26 is annexed to this Annual Report and marked as Annexure IV.

19. GREEN INITIATIVE IN CORPORATE GOVERNANCE

Gautam Gems Limited is committed to environmental sustainability and responsible corporate citizenship. As a participant in the "Green Initiative" framework launched by the Ministry of Corporate Affairs and supported by SEBI guidelines, the Company continues to send Annual Reports, AGM notices and other shareholder communications in electronic form to all shareholders whose email addresses are registered with their Depository Participants or with the Company's Registrar and Share Transfer Agent.

In line with MCA circulars permitting the conduct of Annual General Meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM), the Company has adopted this mode to minimise travel and carbon footprint, while maximising shareholder participation regardless of location.

Shareholders are encouraged to support this eco-friendly initiative by:

- Registering or updating their email addresses with their Depository Participants (in case of electronic holdings) or with the RTA (in case of physical holdings);
- Opting for electronic communication to receive all shareholder communications digitally;
- Participating in the electronic voting (e-voting) facility provided by the Company for all resolutions to be transacted at the Annual General Meeting.

The Company views the Green Initiative not merely as a compliance exercise but as a meaningful contribution to environmental conservation. By embracing digital governance tools, we reduce paper consumption, decrease our carbon footprint, and promote the responsible stewardship of natural resources. This aligns with the broader values of the gem and jewellery sector, which is increasingly conscious of its environmental impact from mine to market.

The Board of Directors of Gautam Gems Limited confirms that this Report on Corporate Governance presents a true and accurate account of the Company's governance structures, practices and compliance for the financial year ended March 31, 2026. The Company remains firmly committed to continuously improving its governance standards, deepening stakeholder trust, and aligning its practices with the highest benchmarks of corporate excellence in the Indian listed entity landscape.

◆ ◇ ◆ ◇ ◆

Place: Surat
Date: 05/06/2026

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

Sd/-	**Sd/-**
Gautam P. Sheth	**Nidhi G. Sheth**
Managing Director	**Director**
DIN: 06748854	**DIN: 06748877**

Annexure I
Certificate on Director Non Disqualification

Madhav Upadhyay & Associates
Company Secretaries

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 3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat, SURAT, Gujarat, India, 395004, have been debarred or disqualified as on March 31, 2026 from being appointed or continuing as directors of the Company by SEBI/ Ministry of Corporate Affairs or any other statutory authority.

For, Madhav Upadhyay and Associates

MADHAV JAYPRAKASH UPADHYAY
Digitally signed by MADHAV JAYPRAKASH UPADHYAY
Date: 2026.09.02 15:18:16 +05'30'

Madhav Jayprakash Upadhya
Practicing Company Secretaries
Proprietor

Peer Review Cert No.: 7426/2025
ACS: 28110| COP No.: 25760
ICSI UDIN: A028110H001346988
Date: 2nd September 2026
Rajkot

Add: "Annpurna", 1-Rajnagar, B/h Virat Plaza, Nana Mava Main Road, Rajkot-360004.
Ph. No. (M) +91-78748 22068 ✉ madhavjupadhyay23@yahoo.com

Madhav Upadhyay & Associates
Company Secretaries

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, 2026, 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, 2026.

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.

For, Madhav Upadhyay and Associates

MADHAV JAYPRAKASH UPADHYAY
Digitally signed by MADHAV JAYPRAKASH UPADHYAY Date:2026.09.02 15:17:34 +05'30'

Madhav Jayprakash Upadhyay
Practicing Company Secretaries
Proprietor

Peer Review Cert No.: 7426/2025
ACS: 28110| COP No.: 25760
ICSI UDIN: A028110H001346944
Date: 2nd September 2026
Rajkot

Add: "Annpurna", 1-Rajnagar, B/h Virat Plaza, Nana Mava Main Road, Rajkot-360004.
Ph. No. (M) +91-78748 22068 madhavjupadhyay23@yahoo.com

Annexure III
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, 2026**.**

Place: Surat
Date: 05/09/2026

For Gautam Gems Limited

Sd/-
Gautam P. Sheth
Managing Director

Annexure IV
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, 2026, 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: 05/09/2026

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

GAUTAM GEMS LIMITED

STATUTORY AUDIT REPORT

FY 2025-26