



haique®
LUXURY SURFACES

ESPRIT STONES LIMITED
10th Annual Report
Financial Year 2025-26



FASHION,
NOW FOR YOUR HOME

A new expression of luxury surfaces,
created for contemporary living.

FROM FASHION CAPITALS TO THE SURFACES OF HOME

Drawing from the worlds of fashion, architecture and culture, Haique brings global influences into a distinctly Indian expression.

Crafted in India and created for spaces across the world, its collections span quartz, neo marble, terrazzo and a growing portfolio of surfaces, each bringing a new expression to contemporary living.



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ABOUT ESPRIT STONES LIMITED...

Esprit Stones Limited was incorporated in 2016, arising from a legacy of over 40 years in the business of high-quality natural stone surfaces. The Company is a synergy between two prominent business houses of Udaipur, Rajasthan — the Aravali Group, with a diversified presence across mining, real estate and finance since 1975, and the Gattani Group, a multi-faceted conglomerate with interests spanning hospitality, infrastructure, distribution, energy and FMCG since 1979 — brought together to explore new frontiers and set new benchmarks in the engineered stones business.

Within a short span of five years of becoming operational (2017-2022), the Company scaled its manufacturing capacity and diversified its product portfolio significantly. Commencing operations in 2017 with a single press line and polish line producing approximately 24 lakh sq. ft. of engineered quartz per annum, the Company's quartz manufacturing facility today operates three pressing lines and two polishing lines, with an annual production capacity of approximately 72 lakh sq. ft. The Company also commissioned a facility for manufacturing quartz grit and quartz powder, the primary raw material used in engineered quartz production, strengthening its backward integration and control over raw material quality. In 2022, through its subsidiary Haique Stones Private Limited (HSPL), the Company commenced manufacturing and processing of engineered marble surfaces, equipped with one pressing line, two gangsaws, and one polishing line, with an annual capacity of approximately 74 lakh sq. ft.

In February 2024, the Company converted into a Public Limited Company, and in August 2024, it got listed on the SME Platform of NSE-EMERGE. Today, Esprit Stones is recognized as one of the key players in the engineered stones industry in India (Source: CARE Report). The Company's quartz surfaces are non-porous, and resistant to staining, heat and scratches, making them well suited for kitchen countertops, bathrooms, flooring, wall cladding and furniture applications, and are crafted using high-quality minerals sourced from the mineral-rich region of Southern Rajasthan. The Company markets and sells its products across domestic and international markets through a combination of direct export sales and an established network of independent distributors. As on the date of this Annual Report, the Company exports to over 10 countries, including the USA, Canada, Egypt, Bulgaria, UAE, and Saudi Arabia, under white labelling arrangements.

While the Company's business was initially export-oriented, it launched its premium brand 'Haique' (originally 'Haiqu') to capitalize on the growing demand for engineered stones in the domestic market. Positioned as the world's first fashion-inspired brand for luxury surfaces, Haique draws its design language from global fashion capitals — Paris, Milan, New York, London, Tokyo and Rome — across its quartz, neo-marble, terrazzo and semi-precious stone collections. As on the date of this Annual Report, the Company has extended its distribution reach to 15 states across the country, and has set up an experience centre at Kishangarh, Rajasthan — India's marble city — along with a storage facility and sales office in Mumbai, Maharashtra.

The Company's business strategy remains centred on continuously strengthening its product portfolio through sustained investment in product innovation, research and development, focused marketing initiatives, and long-term customer relationships. During the year, the Company also launched a distinctive marketing initiative in strategic collaboration with architects and interior designers, redefining luxury as "Maison Fashion." Going forward, the Company remains committed to developing engineered stones with innovative colours, designs, textures and thicknesses, while expanding applications into high-end bathroom surfaces, countertops, and wall cladding — reinforcing 'Haique's position as a leading premium engineered stone brand.

JOURNEY OF ESPRIT STONES LIMITED SO FAR....

MILESTONES OF EXCELLENCE

2016	Incorporated as Esprit Stones Private Limited.
2017	Commenced Commercial Operations of 1st Manufacturing Facility for Engineered Quartz Surfaces at Lakhawali, Udaipur, Rajasthan with one Pressing line.
2019	- Launched 'Haique' as its brand for Luxury Surfaces - Increased production capacity for Engineered Quartz Surfaces by installing 2nd Pressing Line.
2020	Installed 3rd Pressing Line for production of Engineered Quartz Surfaces.
2021	- Commenced operations of 2nd Manufacturing Facility for production of Quartz Grit at Salumber, Rajasthan. - Invested in Addwaya Chemicals Private Limited for a controlling stake. - Incorporated Wholly Owned Subsidiary – Haique Stones Private Limited for manufacturing of Engineered Marble Surfaces. - Incorporated Wholly Owned Subsidiary – Haique Stones Inc., USA.
2022	- Commenced Commercial Operation of 3rd Manufacturing Facility for production of Unsaturated Polyester Resin under subsidiary Addwaya Chemicals Private Limited at Negadiya, Rajasamand-Rajasthan. - Commenced Commercial Operation of 4th Manufacturing Facility for production of Unsaturated Polyester Resin under subsidiary Haique Stones Private Limited at Negadiya, Rajasamand-Rajasthan.
2023	Started Production of Semi-Precious Stones Slabs at its 4th Manufacturing Facility.
2024	The Company got itself listed on NSE-Emerge Platform and its IPO was subscribed 185 times.
2025	Company started one of its Showroom cum Experience center at marble city Kishangarh, Rajasthan.
2026	Launched one of its kind Marketing Campaign by strategic collaboration with Architects & Interior Designer redefining luxury as “Maison Fashion”.

PRODUCT PORTFOLIO



CALACATTA
ALPS

QUARTZ



RIVER
GOLD



GREEN
EXOTICA



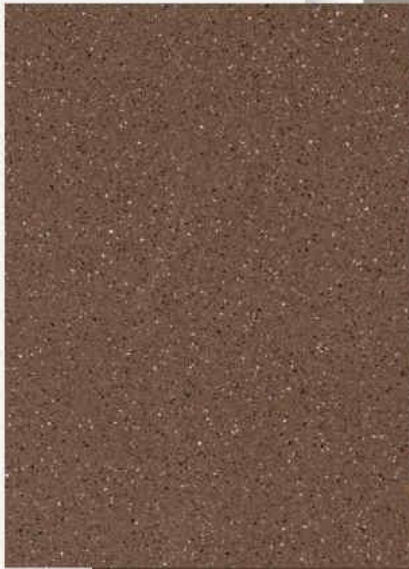
PLATINUM
STATUARIO

PRODUCT PORTFOLIO

ICEBERG GOLD



MOCHA

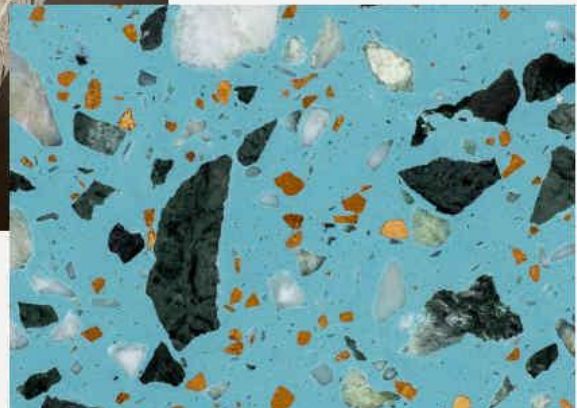


TERRAZZO



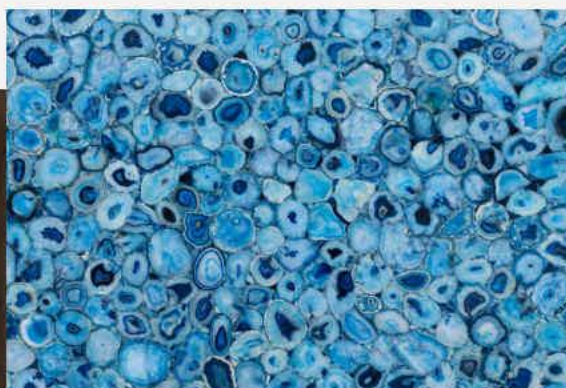
FOREST
JAZZ

TEAL
FOREST



PRODUCT PORTFOLIO

SODALITE



BLUE
AGATE

SEMI PRECIOUS

NEO MARBLE

SUPREME
SERIES



BIANCO THASOS



MANAGEMENT COMMUNIQUE

Dear Shareholders,

We are pleased to present the 10th Annual Report of Esprit Stones Limited for FY 2025-26, marking a decade of your Company's journey since inception. This milestone year has tested our resilience amidst a challenging global trade environment, and while the year under review presented certain headwinds, it has also reaffirmed the strength of our operating model and our commitment to building a more diversified and future-ready organization.

Economic Overview

The global macroeconomic environment in FY 2025-26 continued to be shaped by trade-related uncertainties, tariff actions, and shifting geopolitical alignments, particularly impacting export-oriented sectors with significant exposure to the United States market. India, however, continued to demonstrate underlying resilience, supported by steady domestic demand, infrastructure spending, and industrial expansion.

Within this backdrop, the quartz and engineered stone manufacturing industry faced a more demanding operating environment. Heightened tariff measures on exports to the USA, coupled with volatility in raw material and logistics costs, weighed on the sector's performance. At the same time, opportunities continued to emerge from rising urbanization, growing preference for durable and aesthetic surfacing materials, and expanding demand in non-USA international markets and the domestic market. Going forward, market diversification, cost discipline, and value-added product innovation will remain critical to the industry's long-term growth trajectory

Performance Overview

FY 2025-26 was a challenging year on the financial front. On a consolidated basis, revenue from operations declined to INR 172.53 crores from INR 321.48 crores in the previous year, a decline of approximately 46%, primarily on account of a decline in export revenues, significant concentration risk arising from the Company's dependence on the United States market amid escalating tariffs, and the disposal of one of its subsidiaries, Addwaya Chemicals Private Limited, during the year. Consequently, operating profit declined to ₹5.73 crores from ₹37.12 crores, with operating margins reduced from 11.55% to 3.32% in current year, and the Company recorded a net loss of ₹3.86 crores for the year, as against a net profit of ₹17.20 crores in FY 2024-25

Notwithstanding these challenges, the management responded with reasonable and proactive steps to address the underlying issues. We accelerated efforts to diversify our revenue base by strengthening our presence in the domestic market and expanding our footprint in non-USA geographies, including the UAE and other international markets. These initiatives reflect our commitment to reducing over-reliance on any single market and building a more balanced, resilient business model. Our team of 300+ individuals continued to be the backbone of this execution effort, adapting swiftly to the evolving environment while staying aligned with our long-term objectives.

Disposal of Subsidiary – Addwaya Chemicals Private Limited

During the year under review, the Company divested its entire 51% shareholding in Addwaya Chemicals Private Limited ('the erstwhile subsidiary'), engaged in polyester resin manufacturing. As, In March 2025, the erstwhile subsidiary had received a closure directive from the Regional Office of the Rajasthan State Pollution Control Board in respect of its manufacturing facility in District Rajsamand, Rajasthan, under the applicable provisions of the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981. Following an evaluation of the situation, the Company divested its entire 51% stake in the erstwhile subsidiary on September 30, 2025, for a consideration of ₹120.87 lakhs, based on a valuation duly certified by a registered valuer. The transaction resulted in a net gain on disposal of ₹52.49 lakhs, which has been disclosed as an exceptional item in the consolidated financial statements. This decision reflects the Company's disciplined approach to portfolio management and its focus on core, high-growth business segments.

Staring At Robust Growth Opportunity

The global engineered stone industry is expected to grow at a 6% CAGR between 2027 and 2032, reaching US\$ 48,104 million by 2032, with engineered quartz remaining the major contributor within the segment. The Indian engineered stone market, valued at approximately \$3,643 million in 2022, is projected to grow at a CAGR of 7-8% between 2022 and 2027, and is expected to reach \$7,355 million by 2032.

Despite a challenging year, Esprit's competitive position, established client relationships, and execution capabilities place the Company well to capitalize on this long-term growth opportunity as global trade conditions normalize and our diversification strategy gains further traction

Fulfilling Our Commitments Towards Environment, Society and Governance

At Esprit, we remain committed to a holistic approach that integrates environmental and social considerations into our strategy, decision-making, and day-to-day operations. Even as the Company navigated a demanding year, our focus on responsible business conduct, strong governance, and sustainable practices remained undiminished, reinforcing our commitment to long-term value creation for all stakeholders.

Looking Ahead

As we complete a decade of operations, Esprit Stones Limited remains focused on translating the lessons of FY 2025-26 into a stronger, more diversified business. Our priorities going forward include deepening our presence in the domestic market, expanding further into non-USA export geographies, enhancing operational efficiency, and maintaining disciplined capital allocation. Further, the Company has decided for increasing its production capacity for Engineered Quartz Surfaces enabling it to manufacture high-end and trending quartz surfaces.

We remain cautiously optimistic about our ability to navigate the evolving global trade environment and return to a sustainable growth trajectory, and we thank our shareholders, customers, employees, bankers, and other stakeholders for their continued trust and support as we build the next decade of Esprit Stones Limited.

Yours' Sincerely,

Sd/-

Sunil Lunawath

Managing Director

DIN: 01105117

Sd/-

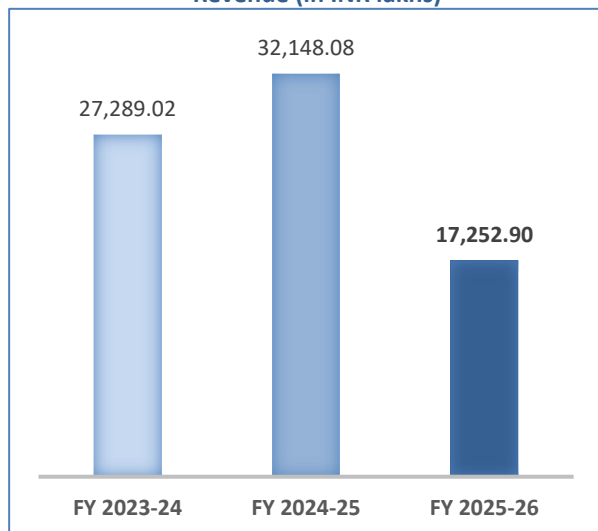
Nitin Gattani

Joint Managing Director

DIN: 00173258

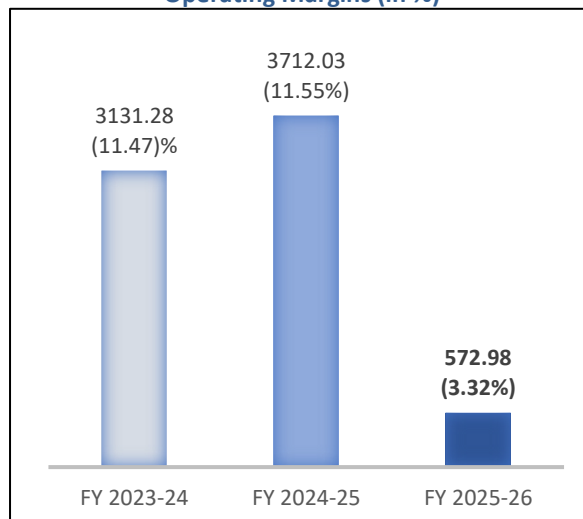
FINANCIAL HIGHLIGHTS

Revenue (in INR lakhs)



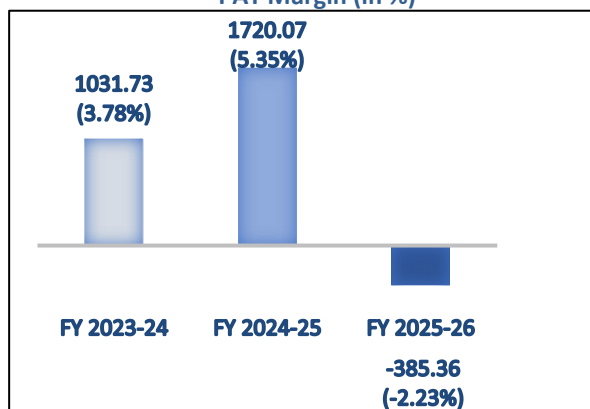
Operating profits (in INR lakhs)

Operating Margins (in %)

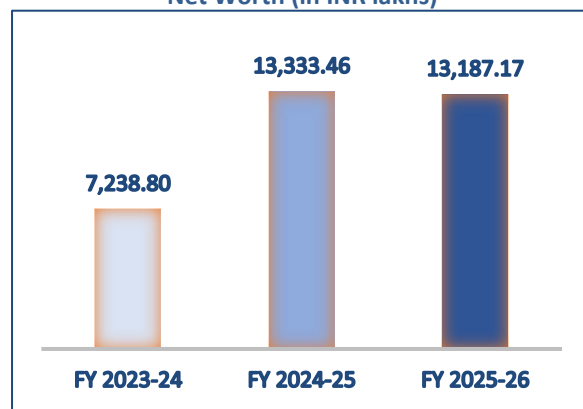


PAT (in INR lakhs)

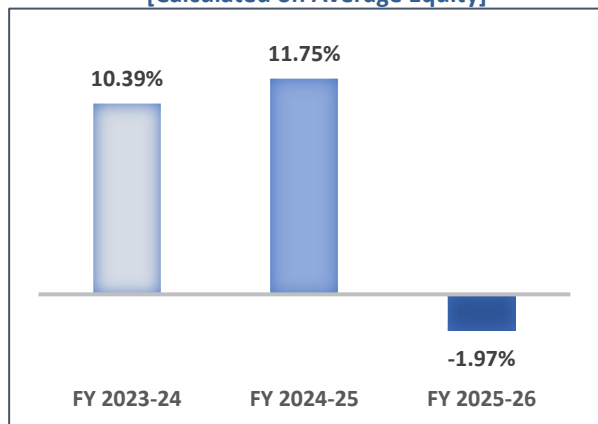
PAT Margin (in %)



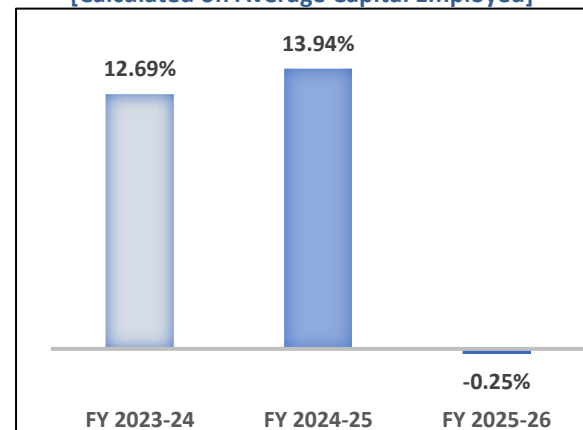
Net Worth (in INR lakhs)



Return on Equity (in %)
[Calculated on Average Equity]



Return on Capital Employed (in %)
[Calculated on Average Capital Employed]



BOARD COMPOSITION



Sunil Lunawath
Managing Director

He is Managing Director and also one of the Promoters of the Company. He has completed his degree of Bachelors in Commerce from Mohanlal Sukhadia University. He has been associated with the Company since October 19, 2016, as a Director and Promoter of the Company. He possesses over 27 years of experience in the fields of natural stones, mining, minerals, engineered stones and commercial leasing industries. He has been associated with Rajasthan Packaging Co Private Limited since 1997 as a director. His other ventures include Aravali Minerals and Chemical Industries Private Limited, Rose Marbles Private Limited, Fab Stones, Esprit Ventures Private Limited, Aglow Chemicals Private Limited, Aravalli BIZ Ventures Private Limited, SNB Future Drive Private Limited and Novabond Polymers Private Limited



Nitin Gattani
Joint Managing Director

He is Joint Managing Director and also one of the Promoters of the Company. He has completed his degree of Bachelors in Commerce from Mohanlal Sukhadia University. He has been associated with the Company since October 19, 2016, as a Director and Promoter of the Company. He possesses over 27 years of experience in the fields of trading and distribution of industrial products, natural stones, engineering stones, contract mining, commercial leasing and hospitality industries. He has been associated with Shreya Petrochem Private Limited as a director since 1998. His other ventures include KK Enterprises, Fab Stones, Esprit Ventures Private Limited, AGG Hospitality Private Limited and Saurrate One Private Limited.



Pradeep Lunawath
Executive Director

He is Executive Director and also one of the Promoters of the Company. He has completed his education till the eighth grade from Alok Secondary School. He has been associated with the Company since October 19, 2016, as a Director and Promoter of the Company. He possesses over 21 years of experience in the fields of mining, minerals, natural stones, engineered stones, commercial leasing and hospitality industries. He has been associated with Rose Marbles Private Limited as a director since 2003. His other ventures include Aravali Minerals and Chemical Industries Private Limited, Aravalli BIZ Ventures Private Limited, Kairos Interior Private Limited and Mahaveer Trading Company.

BOARD COMPOSITION



Sunil Gattani
*Non-Executive
Non-Independent Director*

He is Non-Executive Non-Independent Director of the Company. He completed the degree of Bachelor of Engineering (Textiles) from RTE Society's Rural Engineering College, Karnataka. He has been associated with the Company since October 19, 2016, as a Director of the Company. He possesses over 22 years of experience in the fields of mining, natural stones, engineered stones and chemical industries. He has also been associated with Shree Logistics Private Limited, Urja Renewable Private Limited and Green Reserves Private Limited as a director



Neelam Tater
*Non-Executive
Independent Director*

She is Non-Executive Independent Director of the Company. She holds the degree of Bachelors of Commerce from Mohanlal Sukhadia University, Udaipur. She has also been admitted as an associate of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. She has been associated with the Company since February 6, 2024. She was a Practicing Chartered Accountant from April 2017 till September 2021. She has over 6 years of experience in the field of accounts, finance, audit and risk management. She is currently associated with Manba Finance Limited, Pacific Industries Limited, Bombay Coated and Special Steels Limited and AKME Fintrade (India) Limited as a director



Narendra Sharma
*Non-Executive
Independent Director*

He is Non-Executive Independent Director of the Company. He holds the degree of Bachelors of Commerce from Ajmer University, Rajasthan. He also holds an Accounting Technician Certificate from the Institute of Chartered Accountants of India. He has been associated with the Company since February 6, 2024. He has previously worked with Aravali Marble Industries Private Limited as a Director from the year 1995 till the year 2012 and is presently associated with Kimberley Engineers Private Limited as a Managing Director since 2013. He is also a partner of Maruti Exports since the year 1994. He has over 30 years of experience in natural stones and engineering tools industry.

THE MAISON FASHION

BRANDING CAMPAIGN

haique[®] LUXURY SURFACES





PRIVATE INDUSTRY PREVIEW

CERTIFICATIONS AND AWARDS

- NSF CERTIFIED



CERTIFICATIONS AND AWARDS

- GREENGUARD CERTIFIED



Certificate of Compliance

Certificate
142277-420

Issue Date
19 Mar 2019

Expiration Date
19 Mar 2027







Rane Valles
Director and General Manager
UL Verification Services Inc.
2211 Newmarket Parkway, ste 106
Marietta, GA 30067 USA



UL Verification Services does hereby certify that an independent assessment has been conducted on behalf of:

ESPRIT STONES PRIVATE LIMITED

for the following product:

Esprit Stones - Quartz Surfaces - Vein Series

The product has been evaluated and meets the requirements for:

GREENGUARD Gold

UL 2818 - 2022 Gold Standard for Chemical Emissions for Building Materials, Finishes and Furnishings

Wall finishes are determined compliant in accordance with California Department of Public Health (CDPH) Standard Method V1.2-2017 using a Classroom Environment with an air change of 0.82 hr⁻¹ and a loading of 94.60 m²; and Wall finishes are determined compliant in accordance with California Department of Public Health (CDPH) Standard Method V1.2-2017 using an Office Environment with an air change of 0.68 hr⁻¹ and a loading of 33.40 m².

UL Solutions evaluated representative samples of the identified product, process or facility to the identified Standard or other requirements in accordance with the agreements and any applicable program service terms in place between UL Solutions and the Client (collectively "Agreement"). The Client is authorized to use the UL Mark for the identified Product, process or facility covered by this certificate, in accordance with the terms of the Agreement. This Certificate is valid for the identified dates unless there is non-compliance with the Agreement. This certificate is subject to modification, suspension and withdrawal by UL Solutions see SPOT.ul.com, to authenticate the certificate.

CERTIFICATIONS AND AWARDS

- **ISO CERTIFIED**



CERTIFICATIONS AND AWARDS

- GOVERNMENT RECOGNIZED 3 STAR EXPORT HOUSE**



- GOVERNMENT RECOGNIZED 3 STAR EXPORT HOUSE**



CORPORATE INFORMATION

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Name of the Directors	Designation	DIN/ PAN
Mr. Sunil Lunawath	Managing Director	DIN: 01105117
Mr. Nitin Gattani	Joint Managing Director	DIN: 00173258
Mr. Pradeep Lunawath	Executive Director	DIN: 01105096
Mr. Sunil Gattani	Non-Executive Non-Independent Director	DIN: 02409338
Mrs. Neelam Tater	Non-Executive Independent Director	DIN: 07653773
Mr. Narendra Sharma	Non-Executive Independent Director	DIN: 01380061
Mr. Prakash Manghani	Chief Financial Officer	PAN: BJVPM9149R
Mrs. Anjali Pandey	Company Secretary & Compliance Officer	PAN: CFNPP9108L

COMMITTEES COMPOSITION

A. AUDIT COMMITTEE:

Name of the Directors	Categories	Designation in Committee	DIN Number
Mr. Narendra Sharma	Non-Executive Independent Director	Chairman of the Committee	DIN: 01380061
Mrs. Neelam Tater	Non-Executive Independent Director	Member of the Committee	DIN: 07653773
Mr. Sunil Lunawath	Managing Director	Member of the Committee	DIN: 01105117

B. NOMINATION AND REMUNERATION COMMITTEE:

Name of the Directors	Categories	Designation in Committee	DIN Number
Mrs. Neelam Tater	Non-Executive Independent Director	Chairman of the Committee	DIN: 07653773
Mr. Narendra Sharma	Non-Executive Independent Director	Member of the Committee	DIN: 01380061
Mr. Sunil Gattani	Non-Executive Non-Independent Director	Member of the Committee	DIN: 02409338

COMMITTEES COMPOSITION (CONTINUED)

C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Name of the Directors	Categories	Designation in Committee	DIN Number
Mr. Sunil Gattani	Non-Executive Non-Independent Director	Chairman of the Committee	DIN: 02409338
Mrs. Neelam Tater	Non-Executive Independent Director	Member of the Committee	DIN: 07653773
Mr. Pradeep Lunawath	Executive Director	Member of the Committee	DIN: 01105096

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Name of the Directors	Categories	Designation in Committee	DIN Number
Mr. Nitin Gattani	Joint Managing Director	Chairman of the Committee	DIN: 00173258
Mr. Sunil Lunawath	Managing Director	Member of the Committee	DIN: 01105117
Mr. Narendra Sharma	Non-Executive Independent Director	Member of the Committee	DIN: 01380061

E. FINANCE COMMITTEE:

Name of the Directors	Categories	Designation in Committee	DIN Number
Mr. Sunil Lunawath	Managing Director	Chairman of the Committee	DIN: 01105117
Mr. Nitin Gattani	Joint Managing Director	Member of the Committee	DIN: 00173258

F. INTERNAL COMPLAINTS COMMITTEE:

Sr. No.	Name of the Members	Designation in Committee
1.	Mrs. Saumya Gattani Daga	Chairperson / Presiding Officer of the Committee
2.	Mr. Om Prakash Choudhary	Member of the Committee
3.	Mr. Devendra Jain	Member of the Committee
4.	Mrs. Shraddha Gattani	Member of the Committee

G. INDEPENDENT DIRECTORS COMMITTEE:

Name of the Directors	Categories	Designation in Committee	DIN Number
Mr. Narendra Sharma	Non-Executive Independent Director	Chairman of the Committee	DIN: 01380061
Mrs. Neelam Tater	Non-Executive Independent Director	Member of the Committee	DIN: 07653773

AUDITORS

STATUTORY AUDITORS	INTERNAL AUDITORS	SECRETARIAL AUDITORS
M/s. A Bafna & Co. Chartered Accountants	M/s. Pallavi Mehta and Associates Chartered Accountants	M/s. Ronak Jhuthawat & Co. Company Secretaries
Firm Registration No.: 003660C & Membership No.: 400543	Firm Registration No.: 016194C & Membership No.: 414725	Membership No.: 9738 & Certificate of Practice No.: 12094
Address: K-2, Keshav Path, Ahinsa Circle, C-Scheme, Jaipur, Rajasthan, India, PIN-302001	Address: 207, Arihant Plaza, Behind Bank of Maharashtra, City Station Road, Udaipole, Udaipur, Rajasthan, India, PIN-313001	Address: 328, Samriddhi Complex, 3 rd Floor, Above Udaipur Urban Co- operative Bank, Opp. Krishi Upaz Mandi, Sector-11, Main Road, Udaipur, Rajasthan, India, PIN-313001

REGISTRAR AND SHARE TRANSFER AGENT AND BANKERS

MUFG INTIME INDIA PRIVATE LIMITED [Formerly Known as Linkintime India Private Limited] Address: C 101, Embassy 247, L B S Marg, Vikhroli (West), Mumbai, Maharashtra, India, PIN-400083 Contact No.: +91 2249186000; Fax: +91 22 49186060 E-Mail: mumbai@in.mpms.mufg.com Website: www.in.mpms.mufg.com	HDFC BANK LIMITED Address: 16-C, 3rd Floor, Bank Street, Madhuban, Opp. Darshan Jewellers, Udaipur, Rajasthan, India, PIN- 313001
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REGISTERED OFFICE AND CORPORATE OFFICE:

Address: SP1, Udyog Vihar, Sukher Industrial Area, Udaipur, Rajasthan, India, PIN-313004	Address: Kh No. 1106-1109, Revenue Village Bhilwada, Lakhawali, Udaipur, Rajasthan, India, PIN-313001
CIN: U74999RJ2016PLC056284	
E-Mail: legal@espritstones.com	
Website: www.espritstones.com	
Contact No.: 9116652582	

Stock Exchange where Company's Securities are Listed	NSE Limited
Symbol	ESPRIT
Company Secretary & Compliance Officer	Mrs. Anjali Pandey
Website	www.espritstones.com
Investor Grievance Email ID	legal@espritstones.com
Contact No.	+91-9116652582

PLANT LOCATION:

MANUFACTURING FACILITY-1	MANUFACTURING FACILITY-2
Unit Address: Kh No. 1106-1109, Revenue Village Bhilwada, Lakhawali, Udaipur, Rajasthan, India, PIN-313001	Unit Address: 1096, Near GSS Adkaliya, Behind Pawan Nursery, Kapurawato Ka Bada, Adkaliya, Salumber, Udaipur, Rajasthan, India, PIN-313027

OUR SUBSIDIARIES:

ADDWAYA CHEMICALS PRIVATE LIMITED*	HAIQUE STONES PRIVATE LIMITED	HAIQUE STONES INC., USA
Address: 400, 4 Floor Arihant Plaza, Udaipur, Rajasthan, India, PIN-313001	Address: Khasra No 1106-1109, Village-Bhilwada, Lakhawali, Udaipur, Rajasthan, India, PIN-313011	Address: 8-The Green STE-A, Dover, Kent-19901, United States of America
CIN: U24299RJ2020PTC070140	CIN: U36990RJ2021PTC076539	EIN: 37-2013534
E-Mail: addwayachemicals@gmail.com	E-Mail: haiquestones@gmail.com	E-mail: haiqueusa@gmail.com
Website: www.addwayachemicals.com	Website: www.haique.world	Website: www.haique.world

*Addwaya Chemicals Private Limited has ceased to be a Subsidiary of the Company w.e.f. 30th September, 2025.

NOTICE OF 10th ANNUAL GENERAL MEETING [AGM]

Notice is hereby given that the 10th Annual General Meeting ("AGM") of the members of Esprit Stones Limited will be held on **Wednesday, the 30th September, 2026 at 11.00 A.M. IST** at the Registered Office of the Company at SP 1, Udyog Vihar, Sukher Industrial Area, Udaipur, Rajasthan, India, PIN-313004 through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") as per the relevant circulars of Ministry of Corporate Affairs and Securities and Exchange Board of India to transact the following business:

A. ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2026 together with Reports of the Board of Directors and Auditors thereon.

To consider passing the following resolution(s) as **ORDINARY RESOLUTIONS**:

(i) **"RESOLVED THAT** the Standalone Audited Financial Statement of the Company for the year ended March 31, 2026 together with the reports of the Board of Directors and the Auditor thereon, as circulated to the members and presented to the meeting be and are hereby adopted."

(ii) **"RESOLVED THAT** the Consolidated Audited Financial Statement of the Company for the year ended March 31, 2026 together with the reports of the Auditor thereon, as circulated to the members and presented to the meeting be and are hereby adopted."

2. To appoint a Director in place of Mr. Sunil Gattani (DIN: 02409338) who retires by rotation and being eligible, offers himself for re-appointment.

To consider passing the following resolution(s) as an **ORDINARY RESOLUTION**:

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Sunil Gattani (DIN: 02409338), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

3. To re-appoint M/s. A Bafna & Co, Chartered Accountants (Firm Registration No. 003660C) as Statutory Auditors of the Company to hold office for a period of five consecutive financial years (i.e. from 2026-27 to 2030-31) of the Company.

To consider passing the following resolution(s) as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 ('the Rules') (including any statutory modification(s) or reenactment (s) thereof, for the time being in force), M/s. A Bafna & Co, Chartered Accountants (Firm Registration Number: 003660C) be and are hereby re-appointed as statutory auditors of the Company for a second term of 5 (five) consecutive years from the conclusion of the 10th Annual General Meeting (2026) till the conclusion of the 15th Annual General Meeting (2031) on such terms and conditions including remuneration as may be determined by the Board of Directors of the Company and reimbursement of travelling and other out-of-pocket expenses actually incurred by them in connection with the audit."

B. SPECIAL BUSINESS:

4. To approve Remuneration payable to Mr. Sunil Lunawath, Managing Director for the remaining period of his tenure.

To consider and, if thought fit, to pass, with or without modifications, the following Resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with Schedule V and other applicable provisions of the Act and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Nomination and Remuneration Committee, wherever applicable, and approval of the Board of Directors, consent of the Members of the Company be and is hereby accorded for the payment of remuneration to Mr. Sunil Lunawath, Managing Director, for the remaining period of his existing tenure, i.e., from 1st February, 2027 to 31st January, 2029, on the terms and conditions as set out below:

Remuneration: ₹60,00,000/- (Rupees Sixty Lakhs only) per annum, inclusive of all perquisites, allowances and other benefits, subject to such terms and conditions as may be determined by the Board of Directors from time to time.

RESOLVED FURTHER THAT the aforesaid remuneration shall be payable to Mr. Sunil Lunawath during the aforesaid period of his tenure, notwithstanding the absence or inadequacy of profits in any financial year, subject to the provisions and limits prescribed under Section 197 read with Schedule V and other applicable provisions of the Act.

RESOLVED FURTHER THAT the existing appointment of Mr. Sunil Lunawath as Managing Director for a period of five years commencing from 1st February, 2024 and ending on 31st January, 2029, as approved by the Members of the Company, shall remain unchanged and in full force and effect.

RESOLVED FURTHER THAT all other terms and conditions relating to the appointment of Mr. Sunil Lunawath as Managing Director, as approved earlier by the Board and the Members of the Company, shall remain unchanged.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper, expedient or desirable to give effect to this resolution.”

5. To approve Remuneration payable to Mr. Nitin Gattani, Joint Managing Director for the remaining period of his tenure.

To consider and, if thought fit, to pass, with or without modifications, the following Resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with Schedule V and other applicable provisions of the Act and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Nomination and Remuneration Committee, wherever applicable, and approval of the Board of Directors, consent of the Members of the Company be and is hereby accorded for the payment of remuneration to Mr. Nitin Gattani, Joint Managing Director, for the remaining period of his existing tenure, i.e., from 1st February, 2027 to 31st January, 2029, on the terms and conditions as set out below:

Remuneration: ₹60,00,000/- (Rupees Sixty Lakhs only) per annum, inclusive of all perquisites, allowances and other benefits, subject to such terms and conditions as may be determined by the Board of Directors from time to time.

RESOLVED FURTHER THAT the aforesaid remuneration shall be payable to Mr. Nitin Gattani during the aforesaid period of his tenure, notwithstanding the absence or inadequacy of profits in any financial year, subject to the provisions and limits prescribed under Section 197 read with Schedule V and other applicable provisions of the Act.

RESOLVED FURTHER THAT the existing appointment of Mr. Nitin Gattani as Joint Managing Director for a period of five years commencing from 1st February, 2024 and ending on 31st January, 2029, as approved by the Members of the Company, shall remain unchanged and in full force and effect.

RESOLVED FURTHER THAT all other terms and conditions relating to the appointment of Mr. Nitin Gattani as Joint Managing Director, as approved earlier by the Board and the Members of the Company, shall remain unchanged.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper, expedient or desirable to give effect to this resolution.”

6. To approve Variation in the Utilisation of Unutilised Initial Public Offer (IPO) Proceeds:

To consider and, if thought fit, to pass, with or without modifications, the following Resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 27, Section 13(8) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with the applicable Rules made thereunder, including Rule 32 of the Companies (Incorporation) Rules, 2014, Rule 7 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, and other applicable provisions of law, including the applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and subject to such approvals, permissions and sanctions as may be required, consent of the Members of the Company be and is hereby accorded to vary/change the utilisation of the unutilised proceeds raised by the Company pursuant to its Initial Public Offer (“IPO”).

RESOLVED FURTHER THAT out of the IPO proceeds originally earmarked for “Investment in Subsidiary, Haique Stones Private Limited (HSPL), for repayment and/or prepayment in part or full of its outstanding borrowings”, against the original allocation of Rs. 1,950.00 Lakhs, an amount of Rs. 1,900.21 Lakhs has been utilised and the unutilised amount of Rs. 49.79 Lakhs, as on 31.08.2026, be and is hereby reallocated and permitted to be utilised towards General Corporate Purposes, in accordance with applicable laws and regulations.

RESOLVED FURTHER THAT the proposed variation in the utilisation of the IPO proceeds shall be as under:

Sr. No.	Particulars	Original Object	Revised Object
1.	Purpose of Utilization	Investment in Subsidiary, Haique Stones Private Limited (HSPL), for repayment and/or prepayment in part or full of its outstanding borrowings	General Corporate Purposes
2.	Original Allocation	Rs. 1,950.00 Lakhs	-
3.	Amount Utilized	Rs. 1,900.21 Lakhs	-
4.	Unutilized Amount Proposed to be Reallocated	Rs. 49.79 Lakhs	Rs. 49.79 Lakhs

RESOLVED FURTHER THAT out of the IPO proceeds originally earmarked for “Issue Related Expenses”, against the original allocation of Rs. 590.15 Lakhs, an amount of Rs. 577.43 Lakhs has been utilised and the unutilised amount of Rs. 12.72 Lakhs, as on 31.08.2026, be and is hereby reallocated and permitted to be utilised towards General Corporate Purposes, in accordance with applicable laws and regulations.

RESOLVED FURTHER THAT the proposed variation in the utilisation of the IPO proceeds shall be as under:

Sr. No.	Particulars	Original Object	Revised Object
1.	Purpose of Utilization	Issue Related Expenses	General Corporate Purposes
2.	Original Allocation	Rs. 590.15 Lakhs	-
3.	Amount Utilized	Rs. 577.43 Lakhs	-
4.	Unutilized Amount Proposed to be Reallocated	Rs. 12.72 Lakhs	Rs. 12.72 Lakhs

RESOLVED FURTHER THAT the below with be the revised allocation of IPO proceeds:

(Amount in Lakhs)

Sr. No.	Object of the issue	Original Amount (as already approved)			Revised Amount (as proposed)		
		Original Allocated amount	Utilized amount	Unutilized amount	Original Allocated amount	Utilized amount	Unutilized amount
1.	Investment in Subsidiary, Haique Stones Private Limited (HSPL), for repayment and/or prepayment in part or full of its outstanding borrowings	1,950.00	1,900.21	49.79	1900.21	1,900.21	-
2.	Issue Related Expenses	590.15	577.43	12.72	577.43	577.43	-
3.	Funding Working Capital requirements of our Company	1,400.00	1,400.00	0	1,400.00	1,400.00	-
4.	Investment in our Subsidiary, Haique Stones Private Limited (HSPL) for funding its Working Capital Requirement	650.00	650.00	0	650.00	650.00	-
5.	General corporate purposes*	445.27	445.27	0	507.78	445.27	62.51
	Total	5,035.42	4,972.91	62.51	5,035.42	4,972.91	62.51

**The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds from the Issue*

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any Committee thereof duly constituted or to be constituted by the Board) be and is hereby authorised to utilise the aforesaid amount towards General Corporate Purposes in accordance with applicable laws and regulations and to determine the manner, timing and utilisation thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things, including making necessary applications, filings, disclosures and intimations with the Stock Exchange(s), Registrar of Companies, SEBI and/or any other regulatory or statutory authority, as may be necessary, expedient or desirable for giving effect to this resolution.



RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in relation to the proposed variation in utilisation of IPO proceeds and to take all such steps and actions as may be necessary or incidental for giving effect to this resolution.”

**By Order of the Board of Directors
For Esprit Stones Limited**

Date: **07th September, 2026**
Place: **Udaipur**

Sd/-
Anjali Pandey
Company Secretary & Compliance Officer
Membership No.: A45660

NOTES TO NOTICE OF 10TH ANNUAL GENERAL MEETING

1. The Explanatory Statement pursuant to Section 102 of the Companies act, 2013 in respect of item No. 3 to 6 of the Notice is annexed hereto.
 2. Details of the Directors seeking appointment / Re-appointment in pursuance of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standards-2 on General Meetings, as applicable are annexed to this Notice.
 3. Pursuant to General Circular Nos.14/2020 dated 8th April 2020, No. 17/2020 dated 13th April 2020, No. 20/2020 dated 5th May 2020, No. 02/2021 dated 13th January 2021, No. 21/2021 dated 14th December 2021, No. 02/2022 dated 05th May, 2022, No. 10/2022 dated 28th December 2022, No. 09/2023 dated 25th September 2023, No. 09/2024 dated 19th September, 2024 and No. 03/2025 dated 22nd September, 2025 respectively (collectively referred to as "MCA Circulars") issued by the Ministry of Corporate Affairs ("MCA") and in compliance with the provisions of Listing Regulations, 2015 the 10th Annual General Meeting ("AGM") of the Company is being held through VC / OAVM which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM. The MCA Circulars prescribe the procedures and manner of conducting the AGM through VC/OAVM. In compliance with the applicable provisions of the Act and MCA Circulars, 10th AGM of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only.
 4. Since this AGM is being held through VC / OAVM, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
 5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 6. The Company has appointed MUFG Intime India Private Limited [Formerly Known as Link Intime India Private Limited], for conducting the AGM and for voting through remote e-voting or through e-voting at the AGM. The procedure for participating in the meeting through VC/ OAVM is explained in the notes and is also available on the website of the Company at www.espritstones.com.
 7. Institutional / Corporate Members (i.e. other than individuals/HUF/NRI etc.) are required to send scanned copy of Board Resolution authorizing their representative to attend the AGM through VC / OAVM on its behalf and to vote through remote E-voting to the Company's Registrar & Transfer Agent ("RTA"), MUFG Intime India Private Limited [Formerly Known as Link Intime India Private Limited] at the email address: rnt.helpdesk@in.mpms.mufg.com.
 8. In compliance with the aforesaid MCA Circulars and SEBI Listing Regulations, 2015 the Notice of the 10th AGM of the Company along with the Annual Report for the year 2025-2026 is being sent only through electronic mode to those Members whose email addresses are registered with their respective Depository Participants ("DPs"), Company or Company's RTA. Members may note that the Notice of the AGM and the Annual Report for the year 2025-2026 will also be available on the Company's website at www.espritstones.com, and also on the website of the Stock Exchanges where the shares of the Company have been listed viz., National Stock Exchange of India Limited (NSE) -www.nseindia.com.
- In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
9. Members having more than one folio in identical names are requested to consolidate the same.

10. The Company has made necessary arrangements for the members to hold their shares in dematerialized form. Members holding shares in physical form are requested to dematerialize their shares by approaching any of the DPs.
11. All documents referred in the accompanying Notice and Statement setting out material facts will be available electronically for inspection for Members on all working days between 9:00 A.M. to 11:00 A.M. up to Wednesday, 30th September, 2026 being the date of the AGM. Members seeking to inspect such documents can send an email at: legal@espritstones.com
12. Since the AGM will be held through VC / OAVM, the "Route Map" is not annexed to this Notice.
13. Voting at the AGM: Members who could not vote through remote e-voting may avail the e-voting facility which will be made available at the Meeting ("e-voting"), facility to be provided by MUFG Intime India Private Limited [Formerly Known as Link Intime India Private Limited].
14. **Remote e-Voting Instructions for shareholders:** In terms of SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/0155 dated November 11, 2024, 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 correctly in their demat accounts to access e-Voting facility.

I. LOGIN METHOD FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE IS GIVEN BELOW:

A. Individual Shareholders Holding Securities in Demat Mode with NSDL:

METHOD 1 – NSDL OTP based login

- a) Visit URL: <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>
- b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.
- c) Enter the OTP received on your registered email ID/ mobile number and click on login.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - NSDL IDeAS facility

Shareholders registered for IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "IDeAS Login Section".
- b) Click on "Beneficial Owner" icon under "IDeAS Login Section".
- c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.
- d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".

- c) Enter the last 4 digits of your bank account / generate 'OTP'
- d) Post successful registration, user will be provided with Login ID and password. Follow steps given above in points (a-d).

Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.



METHOD 3 – NSDL e-voting website:

- a) Visit URL: <https://www.evoting.nsdl.com>
- b) Click on the "Login" tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG Intime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

B. Individual Shareholders Holding Securities in Demat Mode with CDSL:

METHOD 1 – CDSL e-voting page

- a) Visit URL: <https://www.cdslindia.com>.
- b) Go to e-voting tab.
- c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 – CDSL Easi/ Easiest facility:

Shareholders registered for Easi/ Easiest facility:

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com, Click on "Login" and select "My Easi New (Token)"
- b) Enter existing username, password & click on "Login".
- c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/ Easiest facility:

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields for registration.
- c) Post successful registration, user will be provided username and password. Follow steps given above in points (a-c).

C. Individual Shareholders Holding Securities in Demat Mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, user shall navigate through "e-voting" option.

- c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- d) After successful authentication, click on “MUFG Intime/ Link InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

II. LOGIN METHOD FOR SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE / NON-INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE:

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for InstaVote as under:

STEP 1: LOGIN / SIGNUP to InstaVote

➤ **Shareholders registered for INSTAVOTE facility:**

- a) Visit URL: <https://instavote.linkintime.co.in> & click on “Login” under ‘SHARE HOLDER’ tab.
- b) Enter details as under:
1. User ID: Enter User ID
 2. Password: Enter existing Password
 3. Enter Image Verification (CAPTCHA) Code
 4. Click “Submit”.
- (Home page of e-voting will open. Follow the process given under “Steps to cast vote for Resolutions”)

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is <u>Event No + Folio no.</u> registered with the Company

➤ **Shareholders not registered for INSTAVOTE facility:**

- a) Visit URL: <https://instavote.linkintime.co.in> & click on “Sign Up” under ‘SHARE HOLDER’ tab & register with details as under:
1. User ID: Enter User ID
 2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
 4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - Shareholders holding shares in **NSDL form**, shall provide ‘point 4’ above
 - Shareholders holding shares in **physical form** but have not recorded ‘point 3’ and ‘point 4’, shall provide their Folio number in ‘point 4’ above
 5. Set the password of your choice. (The password should contain minimum 8 characters, at least one special Character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
 6. Enter Image Verification (CAPTCHA) Code.

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is <u>Event No + Folio no.</u> registered with the Company

7. Click "Submit" (You have now registered on InstaVote).
Post successful registration, click on **"Login"** under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

- A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".
- B. Select 'View' icon. E-voting page will appear.
- C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.
- E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorizing its representative to vote, to the scrutinizer at **registered email address** with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at **registered email address**.

III. GUIDELINES FOR INSTITUTIONAL SHAREHOLDERS ("CUSTODIAN / CORPORATE BODY / MUTUAL FUND"):

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration:

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in
- e) Thereafter, Login credentials (User ID; Organization ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on **"Investor Mapping"** tab under the Menu Section
- c) Map the Investor with the following details:
 - A. 'Investor ID' –
 - i. NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - ii. CDSL demat account – User ID is 16 Digit Beneficiary ID.
 - B. 'Investor's Name' - Enter Investor's Name as updated with DP.
 - C. 'Investor PAN' - Enter your 10-digit PAN.
 - D. 'Power of Attorney' - Attach Board resolution or Power of Attorney.
Note - File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.
 - E. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body / Mutual Fund Entity). The same can be viewed under the "Report Section".

STEP 3 – Step to cast vote for Resolutions through InstaVote:

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY:

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- Click on “Votes Entry” tab under the Menu section.
- Enter the “Event No.” for which you want to cast vote. Event No. can be viewed on the home page of InstaVote under “On-going Events”.
- Enter “16-digit Demat Account No.”
- Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’.
- A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 – VOTES UPLOAD:

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
 - After successful login, you will be able to see the “Notification for e-voting”.
 - Select “**View**” icon for “**Company’s Name / Event number**”.
 - E-voting page will appear.
 - Download sample vote file from “Download Sample Vote File” tab.
 - Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under “Upload Vote File” option.
 - Click on ‘Submit’. ‘Data uploaded successfully’ message will be displayed.
- (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

NOTE: Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorizing its representative to vote, to the scrutinizer at **registered email address** with a copy marked to RTA at enotices@in.mpms.muvg.com and the company at **registered email address**.

IV. Helpdesk:

Shareholders Holding Securities in Physical Mode / Non-Individual Shareholders Holding Securities in Demat Mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.muvg.com or contact on: Tel: 022– 4918 6000.

Individual Shareholders Holding Securities in Demat Mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk 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.co.in 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 22 55 33

V. Forgot Password:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on <https://instavote.linkintime.co.in>

- Click on “Login” under ‘SHARE HOLDER’ tab.
- Click “forgot password?”
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g. IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no., registered with the Company

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under “Custodian / Corporate Body/ Mutual Fund” tab
- Click “forgot password?”
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders Holding Securities in Demat Mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions – Shareholders

- ❖ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ❖ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- ❖ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

OTHER E-VOTING INSTRUCTIONS:

1. The remote e-voting period commences on **Sunday, 27th September, 2026** at 9:00 A.M. and ends on **Tuesday, 29th September, 2026** at 5:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on **Wednesday, 23rd September, 2026** (the cut- off date) may cast their vote electronically. The remote e-voting module shall be disabled for voting thereafter.
2. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on **Wednesday, 23rd September, 2026**.
3. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote evoting and voting during the AGM.
4. M/s. Ronak Jhuthawat & Co., Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.

5. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 2 working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him/her in writing, who shall countersign the same.
6. The results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.espritstones.com within 48 hours of the 10th AGM of the Company to be held on **Wednesday, 30th September, 2026**.
7. The contact details for Registrar and Transfer Agent: Link Intime India Pvt. Ltd., Tel. No.: 022 4918 6270, Email: rnt.helpdesk@linkintime.co.in

15. Instructions for Members to attend the AGM through InstaMeet (VC/OAVM):

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 03/2025 dated 22.09.2025, the Companies can conduct their AGMs/ EGMs on or before 30 September 2026 by means of Video Conference (VC) or other audio-visual means (OAVM).

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

- a) Visit URL: <https://instameet.in.mpms.muvg.com> & click on "Login".
- b) Select the "Company Name" and register with your following details:
- c) Select Check Box - **Demat Account No.** / **Folio No.** / **PAN**
 - Shareholders holding shares in NSDL/ CDSL demat account shall select check box - **Demat Account No.** and enter the **16-digit demat account number**.
 - Shareholders holding shares in physical form shall select check box – **Folio No.** and enter the **Folio Number registered with the company**.
 - Shareholders shall select check box – **PAN** and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the **sequence number** provided by MUFG Intime, if applicable.
 - **Mobile No.**: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
 - **Email ID**: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
- d) Click "Go to Meeting"
You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

- a) Shareholders who would like to speak during the meeting must register their request with the company.
- b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
- c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.
- d) Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panelist via active chat-board during the meeting.

**Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.*

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

- a) On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
- b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET
- c) Click on 'Submit'.
- d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet 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 facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

Details of Directors seeking Appointment and Re-appointment at the forthcoming Annual General Meeting as required under Regulation 36(3) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2:

Name of the Director	Mr. Sunil Gattani
Designation of the Director	Non-Executive Non-Independent Director
DIN	02409338
Date of Birth	December 19, 1964
Nationality	Indian
Date of Appointment in the Board	19.10.2016
Terms and conditions of appointment/ re-appointment and details of remuneration sought and remuneration last drawn	As per terms and conditions decided by management and mutually agreed upon.
Qualification and Experience	He has been associated with our Company since October 19, 2016, as a Director of our Company. He completed the degree of Bachelor of Engineering (Textiles) from RTE Society's Rural Engineering College, Karnataka. He possesses over 24 years of experience in the fields of mining, natural stones, engineered stones and chemical industries. He has also been associated with Shree Logistics Private Limited, Urja Renewable Private Limited and Green Reserves Private Limited as a Director.
Shareholding in the Company	NIL
Relationship with other Directors, Manager and Other KMP/SMP	Father of Mr. Sumit Gattani, Chief Operating Officer of the Company
No. of Meeting of Board attended during the financial year 2025-26	06 (Six)
List of Directorship held in other Companies	Shree Logistics Private Limited Urja Renewable Private Limited Green Reserves Private Limited
Chairman/ Membership of other Committee	Chairman of Stakeholders Relationship Committee [SRC] Member of Nomination and Remuneration Committee [NRC]

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013:

The following statement, pursuant to section 102 of the Companies Act, 2013 ('the Act'), sets out all material facts relating to the businesses mentioned at Item Nos. 3 to 6 of the accompanying Notice.

ITEM NO. 3: TO RE-APPOINT M/S. A BAFNA & CO, CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. 003660C) AS STATUTORY AUDITORS OF THE COMPANY TO HOLD OFFICE FOR A PERIOD OF FIVE CONSECUTIVE FINANCIAL YEARS (I.E. FROM 2026-27 TO 2030-31) OF THE COMPANY.

M/s. A Bafna & Co, (Firm Registration Number: 003660C), Chartered Accountants, hold the office of statutory auditors in first term of five consecutive years, as per the members' approval accorded at the 05th Annual General Meeting (AGM) held on November 30, 2021 till the conclusion of the 10th Annual General Meeting of the Company. After a detailed review of the profile, experience, expertise and technical competencies, the Audit Committee and Board of Directors of the Company have recommended the re-appointment of M/s. A Bafna & Co for the second term, for approval of the members at the 10th AGM of the Company.

M/s. A Bafna & Co have accorded their consent and confirmed that they fulfil all the eligibility criteria envisaged under Companies Act, 2013 and Securities and Exchange Board of India, Listing Obligations and Disclosure Requirements, Regulations, 2015 to hold the office and perform the role of statutory auditor of the Company effectively. They hold a peer review certificate issued by The Institute of Chartered Accountants of India ["ICAI"], which is valid up to April 30, 2027.

M/s. A Bafna & Co working in the industry for nearly 4 decades, having qualified team of 15 Professionals with 15 FCA Partners, Qualified Employees and total team strength of more than 50. The Firm empaneled with RBI under category I and CAG Category I – CR0594, provided services such as: Direct Taxation, Capital Market Transactions, Merger & Acquisitions, Due Diligence etc.

Considering the professional experience, expertise and technical competencies of M/s. A Bafna & Co, the Audit Committee and the Board of Directors are of the opinion that it would be in the best interest of the Company to appoint M/s. A Bafna & Co, Chartered Accountants, as Statutory Auditors. Accordingly, the Board of Directors recommend to the shareholders the re-appointment of M/s. A Bafna & Co, Chartered Accountants, as Statutory Auditors in a second term of five consecutive years, from the conclusion of 10th AGM till the conclusion of the 15th AGM on a remuneration of 7.87 Lakhs per annum towards statutory audit and quarterly limited reviews, excluding reimbursement of any out-of-pocket expenses (at actuals) and applicable taxes and subject to revisions as may be determined by the Board from time to time.

None of the other Directors and Key Managerial Personnel (KMP) of the Company and their relatives is concerned or interested, financially or otherwise, in the above resolutions except to the extent of their shareholding, if any, in the Company.

The Board recommends passing the resolution as set out at item no. 3 of this notice as an ordinary resolution.

ITEM NO. 4: TO APPROVE REMUNERATION PAYABLE TO MR. SUNIL LUNAWATH, MANAGING DIRECTOR FOR THE REMAINING PERIOD OF HIS TENURE.

The Members are hereby informed that Mr. Sunil Lunawath was appointed as a Managing Director of the Company for a period of five years with effect from 1st February, 2024 to 31st January, 2029, pursuant to the approval of the Members.

The Members had also approved payment of remuneration to Mr. Sunil Lunawath of ₹60,00,000/- (Rupees Sixty Lakhs only) per annum, inclusive of all perquisites and other benefits, for a period of three years with effect from 1st February, 2024.

Accordingly, while the tenure of Mr. Sunil Lunawath as Managing Director continues until 31st January, 2029, the period for which the existing remuneration approval was obtained is limited to three years. Therefore, in order to ensure continuity of remuneration and avoid the necessity of convening a separate general meeting at a later stage, the

approval of the Members is being sought at the 10th Annual General Meeting for payment of remuneration to Mr. Sunil Lunawath for the remaining period of his existing tenure from 1st February, 2027 to 31st January, 2029.

It is proposed to continue the remuneration of ₹60,00,000/- (Rupees Sixty Lakhs only) per annum, inclusive of all perquisites, allowances and other benefits, during the remaining period of his tenure.

The appointment of Mr. Sunil Lunawath as Managing Director shall continue to remain valid up to 31st January, 2029, and the proposed resolution does not seek any extension or re-appointment. The proposed approval is only in respect of the remuneration payable for the remaining period of his existing tenure.

In the event of absence or inadequacy of profits in any financial year during the aforesaid period, the remuneration shall be payable in accordance with the provisions of Section 197 read with Schedule V to the Companies Act, 2013, subject to fulfilment of the applicable conditions.

The Board of Directors, considering the experience, contribution, responsibilities and services rendered by Mr. Sunil Lunawath, recommends the Special Resolution as set out at Item No. 4 of the Notice for approval of the Members.

Mr. Sunil Lunawath and his relatives, to the extent of their shareholding, if any, may be deemed to be concerned or interested in the proposed resolution. None of the other Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the proposed resolution.

ITEM NO. 5: TO APPROVE REMUNERATION PAYABLE TO MR. NITIN GATTANI, JOINT MANAGING DIRECTOR FOR THE REMAINING PERIOD OF HIS TENURE.

The Members are hereby informed that Mr. Nitin Gattani was appointed as a Joint Managing Director of the Company for a period of five years with effect from 1st February, 2024 to 31st January, 2029, pursuant to the approval of the Members.

The Members had also approved payment of remuneration to Mr. Nitin Gattani of ₹60,00,000/- (Rupees Sixty Lakhs only) per annum, inclusive of all perquisites and other benefits, for a period of three years with effect from 1st February, 2024.

Accordingly, while the tenure of Mr. Nitin Gattani as Joint Managing Director continues until 31st January, 2029, the period for which the existing remuneration approval was obtained is limited to three years. Therefore, in order to ensure continuity of remuneration and avoid the necessity of convening a separate general meeting at a later stage, the approval of the Members is being sought at the 10th Annual General Meeting for payment of remuneration to Mr. Nitin Gattani for the remaining period of his existing tenure from 1st February, 2027 to 31st January, 2029.

It is proposed to continue the remuneration of ₹60,00,000/- (Rupees Sixty Lakhs only) per annum, inclusive of all perquisites, allowances and other benefits, during the remaining period of his tenure.

The appointment of Mr. Nitin Gattani as Joint Managing Director shall continue to remain valid up to 31st January, 2029, and the proposed resolution does not seek any extension or re-appointment. The proposed approval is only in respect of the remuneration payable for the remaining period of his existing tenure.

In the event of absence or inadequacy of profits in any financial year during the aforesaid period, the remuneration shall be payable in accordance with the provisions of Section 197 read with Schedule V to the Companies Act, 2013, subject to fulfilment of the applicable conditions.

The Board of Directors, considering the experience, contribution, responsibilities and services rendered by Mr. Nitin Gattani, recommends the Special Resolution as set out at Item No. 5 of the Notice for approval of the Members.

Mr. Nitin Gattani and his relatives, to the extent of their shareholding, if any, may be deemed to be concerned or interested in the proposed resolution. None of the other Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the proposed resolution.

DISCLOSURE PURSUANT TO SECTION 197 READ WITH SCHEDULE V TO THE COMPANIES ACT, 2013 AND APPLICABLE RULES THEREUNDER IN RESPECT OF ITEM NO. 4 & 5 OF THE NOTICE:

I. General Information

1. Nature of industry:

The Company is engaged into the business of engineered stones such as engineered quartz surfaces and engineered marble surfaces which is a luxurious substitute of natural marble and granite.

2. Date of commencement of commercial production:

The Company carries on engineered stones business since 2017.

3. In case of new companies, expected date of commencement of activities: Not applicable.

4. Financial performance based on given indicators: The Standalone and Consolidated financial performance of the Company during the last two financial years is as under:

Standalone Financial Results:

(Amount in INR Lakhs)

Particulars	F.Y. 2025-26	F.Y. 2024-25
Profit / (Loss) after Tax before Minority Interest	(481.07)	836.19
Net Worth (including balance in Profit & Loss Account)	12,217.84	12,686.91
Earnings Per Share	(2.19)	4.18
Turnover	12,603.59	19,283.24

Consolidated Financial Results:

(Amount in INR Lakhs)

Particulars	F.Y. 2025-26	F.Y. 2024-25
Profit / (Loss) after Tax before Minority Interest	(385.36)	1,720.07
Net Worth (including balance in Profit & Loss Account)	13,187.17	13,333.46
Earnings Per Share	(1.19)	7.83
Turnover	17,252.90	32,148.08

5. Foreign investments or collaboration, if any:

As on 31st March, 2026, the Shareholding of Foreign Institutional Investors, Foreign Nationals and Foreign Companies, in the Company is detailed as under:

Particulars	No. of Shares	%
Foreign Portfolio Investors	88,000	0.40
Foreign Nationals	-	-
Non-Resident Indians (Repat)	60,800	0.28
Non-Resident Indians (Non-Repat)	-	-
Foreign Companies	-	-
Overseas Bodies Corporate	-	-
Foreign Bank	-	-
Total	1,48,800	0.68%

II. Information about the Appointee

1. Background Details:

The background details and profile of Mr. Sunil Lunawath and Mr. Nitin Gattani are stated in "**PROFILE OF DIRECTORS**" to this Notice.

2. Past Remuneration:

The remuneration paid/payable to Managing Director and Joint Managing Director for the last financial year 2024-2025 subject to approval of the Shareholders / Central Government is as follows:

Name of the Directors	Remuneration paid / payable for 2024-2025
Mr. Sunil Lunawath	60.00 Lacs p.a.
Mr. Nitin Gattani	60.00 Lacs p.a.

3. Job Profile and Suitability:

Mr. Sunil Lunawath, Managing Director and also one of the Promoters of the Company. He has completed his degree of Bachelors in Commerce from Mohanlal Sukhadia University. He has been associated with the Company since October 19, 2016, as a Director and Promoter of the Company. He possesses over 27 years of experience in the fields of natural stones, mining, minerals, engineered stones and commercial leasing industries. He has been associated with Rajasthan Packaging Co Private Limited since 1997 as a director. His other ventures include Aravali Minerals and Chemical Industries Private Limited, Rose Marbles Private Limited, Fab Stones, Esprit Ventures Private Limited, Aglow Chemicals Private Limited, Aravalli BIZ Ventures Private Limited, SNB Future Drive Private Limited and Novabond Polymers Private Limited.

Mr. Nitin Gattani, Joint Managing Director and also one of the Promoters of the Company. He has completed his degree of Bachelors in Commerce from Mohanlal Sukhadia University. He has been associated with the Company since October 19, 2016, as a Director and Promoter of the Company. He possesses over 27 years of experience in the fields of trading and distribution of industrial products, natural stones, engineering stones, contract mining, commercial leasing and hospitality industries. He has been associated with Shreya Petrochem Private Limited as a director since 1998. His other ventures include K K Enterprises, Fab Stones, Esprit Ventures Private Limited, AGG Hospitality Private Limited and Saurrate One Private Limited.

4. Remuneration Proposed:

Details of remuneration proposed for approval of the Shareholders at this 10th Annual General Meeting of the Company are as provided in the respective resolutions.

5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The current remuneration being paid to the Managing Director and Joint Managing Director (looking at the profile of the position and person) is lower than the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.

6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Apart from the remuneration and perquisites paid to them as Managing Director/ Joint Managing Director as stated above and their respective shareholding held directly or indirectly in the Company and the Directors do not have any pecuniary relationship directly or indirectly with the Company and its managerial personnel.

III. Other Information

(1) Reasons of loss or inadequate profits and steps taken or proposed to be taken for improvement

The Company reported a consolidated net loss of Rs. 385.36 Lakhs for the financial year 2025-26 as against a consolidated net profit of Rs. 1,720.07 Lakhs in the previous financial year 2024-25. The Company reported a loss at the consolidated level during the year under review, primarily on account of the following factors:

Firstly, export sales volumes of quartz surfaces to the United States of America witnessed a decline, on account of the imposition of high tariffs by the US authorities on such imports, which adversely impacted the Indian manufacturer's competitiveness in the said market and consequently led to a reduction in export revenues and profitability.

Secondly, the Company's subsidiary, Addwaya Chemicals Private Limited, incurred losses during the first half of the year, which were consequently consolidated into the Company's financial results for the said period in accordance with applicable accounting standards. The Company subsequently divested its shareholding in the said subsidiary during the year as on **30th September, 2025** which it ceased to be a subsidiary of the Company and its results were no longer consolidated.

The cumulative impact of the aforesaid factors resulted in the loss reported at the consolidated level for the year under review. The Company continues to take necessary steps to strengthen its operations and improve profitability going forward.

2. Reasons of loss or inadequate profits and steps taken or proposed to be taken for improvement:

The Company's loss during the year under review was primarily on account of lower export revenues, dependence on the United States market, and the disposal of a subsidiary that was operational in the previous year. To mitigate these challenges, the Company has taken reasonable steps to expand its domestic business and diversify into non-USA markets.

3. Disclosures:

The Company is listed on the SME Platform of the National Stock Exchange (NSE) and the provisions relating to Corporate Governance under the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company.

Accordingly, the Corporate Governance related disclosures prescribed under Schedule V to the Companies Act, 2013 are not applicable to the Company.

ITEM NO. 6: TO APPROVE VARIATION IN THE UTILIZATION OF UNUTILISED INITIAL PUBLIC OFFER (IPO) PROCEEDS

The Company had raised funds through its Initial Public Offer ("IPO") pursuant to the Prospectus dated 31.07.2024, which, inter alia, provided for utilization of the Net Proceeds towards the objects of the Issue as disclosed therein.

The Board of Directors of the Company has reviewed the status of utilization of the IPO proceeds and noted that, as on 31.08.2026, for two of the objective, amount is still unutilized and proposed the action accordingly after identifying reasons:

(Amount in Rs. Lakhs)

Object of the Issue	Amount allocated for the object	Amount Utilised	Amount Unutilised	Proposed actions
Investment in Subsidiary, Haique Stones Private Limited (HSPL), for repayment and / or prepayment in part or full of its outstanding borrowings	1,950.00	1,900.21	49.79	Refer Note (a) below
Issue related expenses	590.15	577.43	12.72	Refer Note (b) below

Notes:

- Considering that the underlying loan of the subsidiary was fully paid and hence the unutilized amount of Rs. 49.79 lakh cannot be utilized further; the Board is of the view that such unutilized amount shall be reallocated from the object of repayment/prepayment of borrowings towards General Corporate Purposes.
- The Company has estimated IPO expenses of Rs. 590.15 Lakhs at the time of filing of prospectus, however the actual incurred expenses along with the GST amount is Rs. 577.43 lakhs till date and there are no further remaining expenses to be paid. Accordingly, the Board is of the view that the unutilized amount shall be reallocated towards General Corporate Purpose.

According after proposed reallocation of the amount, below will be the revised allocation of IPO proceeds against various objects of the IPO:

(Amount in Lakhs)

Sr. No.	Object of the issue	Original Amount (as already approved)			Revised Amount (as proposed)		
		Original Allocated amount	Utilized amount	Unutilized amount	Original Allocated amount	Utilized amount	Unutilized amount
1.	Investment in Subsidiary, Haique Stones Private Limited (HSPL), for repayment and/or prepayment in part or full of its outstanding borrowings	1,950.00	1,900.21	49.79	1900.21	1,900.21	-
2.	Issue Related Expenses	590.15	577.43	12.72	577.43	577.43	-
3.	Funding Working Capital requirements of our Company	1,400.00	1,400.00	0	1,400.00	1,400.00	-
4.	Investment in our Subsidiary, Haique Stones Private Limited (HSPL) for funding its Working Capital Requirement	650.00	650.00	0	650.00	650.00	-
5.	General corporate purposes*	445.27	445.27	0	507.78	445.27	62.51
	Total	5,035.42	4,972.91	62.51	5,035.42	4,972.91	62.51

*The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds from the Issue

The Company shall make necessary disclosures and comply with all applicable requirements in relation to the proposed variation in the utilization of IPO proceeds.

The Board of Directors recommends the Special Resolution as set out at Item No. 6 of the Notice for approval of the Members.



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

**By Order of the Board of Directors
For Esprit Stones Limited**

Date: **07th September, 2026**
Place: **Udaipur**

Sd/-
Anjali Pandey
Company Secretary & Compliance Officer
Membership No.: A45660

DIRECTORS' REPORT TO THE SHAREHOLDERS'

Dear Members,
Esprit Stones Limited

The Board of Directors are pleased to present the Company's 10th Annual Report on the business and operations of the Company along with the Audited Financial Statements, for the financial year ended March 31, 2026 in compliance with the applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Esprit Stones Limited ('the Company') is a public limited company domiciled and incorporated in India under the Companies Act 2013 on 19th October, 2016. The Company is public limited company with effect from 05th February, 2024 and listed on SME Platform of NSE Exchange on 02nd August, 2024.

1. FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY:

The Company's financial performance for the year ended March 31, 2026 is summarized below:

Particulars	Standalone (Amount in INR Lakhs)		Consolidated (Amount in INR Lakhs)	
	Year Ended 31.03.2026	Year Ended 31.03.2025	Year Ended 31.03.2026	Year Ended 31.03.2025
Revenue from Operations	12,603.59	19,283.24	17,252.90	32,148.08
Other Income	735.23	632.28	343.49	249.92
Profit / (Loss) before Depreciation, Finance Costs, Exceptional items and Tax Expense	215.66	2,060.80	916.47	3,961.95
Less: Depreciation / Amortization / Impairment	(664.34)	(620.81)	(969.30)	(954.37)
Profit / (Loss) before Finance Costs, Exceptional items and Tax Expense	(448.68)	1,439.99	(52.83)	3,007.58
Less: Finance Costs	(334.46)	(290.59)	(491.64)	(799.25)
Profit / (Loss) before Exceptional items and Tax Expense	(783.14)	1,149.40	(544.47)	2,208.33
Add/(less): Exceptional items	113.20	-	52.49	-
Profit / (Loss) before Tax Expense	(669.94)	1,149.40	(491.98)	2,208.33
Less: Tax Expense (Current & Deferred)	188.87	(313.21)	106.62	(488.26)
Profit / (Loss) for the year	(481.07)	836.19	(385.36)	1,720.07
Less: Minority Interest	-	-	123.77	(153.68)
Balance carried forward to the Balance Sheet	(481.07)	836.19	(261.59)	1,566.39

Standalone

During the financial year 2025-26, on a standalone basis, the Company's revenue from operations decreased by 34.64% to Rs. 12,603.59 Lakhs, as compared to Rs. 19,283.24 Lakhs in the previous financial year 2024-25.

The Company reported a net loss of Rs. 481.07 Lakhs during the financial year 2025-26 as against a net profit of Rs. 836.19 Lakhs in the previous financial year 2024-25. The decline in financial performance was primarily attributable to lower sales volume of quarts surfaces being exported to the USA due to increased tariffs.

Consolidated

During the financial year under review, on a consolidated basis, the Company's revenue from operations decreased by 46.33% to Rs. 17,252.90 Lakhs, as compared to Rs. 32,148.08 Lakhs in the previous financial year 2024-25. The Company reported a consolidated net loss of Rs. 385.36 Lakhs for the financial year 2025-26 as against a consolidated net profit of Rs. 1,720.07 Lakhs in the previous financial year 2024-25.

The Company reported a loss at the consolidated level during the year under review, primarily on account of the following factors:

Firstly, export sales volumes of quartz surfaces to the United States of America witnessed a decline, on account of the imposition of high tariffs by the US authorities on such imports, which adversely impacted the Indian manufacturer's competitiveness in the said market and consequently led to a reduction in export revenues and profitability.

Secondly, the Company's subsidiary, Addwaya Chemicals Private Limited, incurred losses during the first half of the year, which were consequently consolidated into the Company's financial results for the said period in accordance with applicable accounting standards. The Company subsequently divested its shareholding in the said subsidiary during the year as on **30th September, 2025** which it ceased to be a subsidiary of the Company and its results were no longer consolidated.

The cumulative impact of the aforesaid factors resulted in the loss reported at the consolidated level for the year under review. The Company continues to take necessary steps to strengthen its operations and improve profitability going forward.

2. OPERATIONS AND STATE OF COMPANY'S AFFAIRS:

The Company along with its subsidiaries is engaged in the business of engineered stones such as engineered quartz surfaces and engineered marble surfaces which is a luxurious substitute of natural marble and granite. . Its export customers are in the USA, Canada and other countries. The Company market its engineered stones product in India under its brand "Haique".

It is also involved in manufacturing of raw materials such as quartz grit and unsaturated polyester resin for engineered stones. It also sale Unsaturated Polyester Resin in the open market through its subsidiary, however effective September 30, 2025 Addwaya Chemicals Private Limited ceased to be a subsidiary of the Company. Accordingly, during the current year the Company's revenue is pre-dominantly from only one segment i.e. Engineered Stones.

3. DIVIDEND AND RESERVES:

After considering the financial results for the financial year 2025-26, your directors are of the opinion that it is prudent that no dividend be declared for the year under review. The Company does not propose to transfer any amount to reserves.

4. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), is presented in a separate section forming part of the Annual Report.

5. MATERIAL CHANGES AFFECTING THE COMPANY AND COMMITMENT:

During the financial year under review, the Company executed a Share Transfer Deed on **30th September, 2025** for the divestment of its entire **51.00% equity stake** held in **Addwaya Chemicals Private Limited**, resulting in the cessation of the said company as the Material Subsidiary of the Company with effect from the said date.

The aforesaid transaction has been undertaken in the ordinary course of business and in accordance with the applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws. The Company had duly intimated the Stock Exchange regarding the said transaction.

Save as stated above, there have been no other material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

6. SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and company's Operations in future.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided in "Annexure 1" and is attached to this report.

8. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:

The Company has in place a Risk Management Policy, pursuant to Section 134 of the Companies Act, 2013. This robust Risk Management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage.

The Company has laid down a well-defined risk management mechanism commensurate with its size and the nature of business covering risk mapping, risk exposure and risk mitigation process. The Company's Risk Management Policy has been developed to include various categories such as Human Resources, Financial, Business Processes and Systems, Strategy, Corporate Governance and Compliance and Information Security.

Further, the Board ensures risk reporting and updates, risk policy compliances and provide overall guidance and support to business risk owners.

9. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company has a Policy on Corporate Social Responsibility and the same has been posted on the website of the Company i.e. <https://espritstones.com>. The composition of the Committee, contents of CSR Policy and report on CSR activities carried out during the financial year ended March 31, 2026 in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as "Annexure 2".

10. ANNUAL RETURN:

As required under the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company shall be placed on the website of the Company. It can be accessed at <https://espritstones.com>.

11. SHARE CAPITAL:

Authorized Share Capital

During the year, the company has not altered the Authorized share capital. Hence, the authorized share capital of the Company as on March 31, 2026 was Rs. 25,00,00,000 (Rupees Twenty-Five Crore only) consisting of 2,50,00,000 (Two Crore and Fifty Lacs) equity shares of Rs. 10 (Rupees Ten) each.

Issued and Paid-Up Capital

During the year, the company has not changed paid-up share capital. Hence, the paid-up share capital of the Company as on March 31, 2026 was Rs. 21,94,52,000 (Rupees Twenty-One Crores Ninety-Four Lakhs and Fifty-Two Thousand) comprising of 2,19,45,200 (Two Crores Nineteen Lakhs Forty-Five Thousand and Two Hundred) equity shares of face value of Rs. 10 (Rupees Ten) each.

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Details of Loans and advance granted, Investments made and Guarantees given during the year by the Company under review, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

During the year the Company has given loan to any person or other body corporate, gave guarantee or provided security in connection with a loan to any other body corporate or person and acquired by way of subscription, purchase or otherwise, the securities of any other body corporate as detailed below:

Corporate Identity Number (CIN)	U36990RJ2021PTC076539
Name of the Party	Haique Stones Private Limited
Type of person (<i>Individual / Entity</i>)	Company (Wholly Owned Subsidiary)
Nature of transaction	Inter-corporate loan
In case of loan, rate of interest would be enquired	NA
Brief on the transaction	Inter-corporate loan granted for working capital
Amount (in INR)	Rs. 100.00 lakhs
Date of passing Board resolution (DD/MM/YYYY)	05.02.2024
Whether the threshold of 60% of paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account breached?	Being wholly owned subsidiary company, it is exempted
Whether the transaction falls under the purview of proviso to Section 186(3) and Company is not required to pass Special Resolution	Being wholly owned subsidiary company, it is exempted
SRN of MGT-14	AA6827191 Dated 13.02.2024

13. PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All Related Party Transactions are entered during the Financial Year are in compliance to the provisions of law, the Policy on Materiality of and dealing with Related Party Transactions ("Related Party Policy") and were entered with the approval of Audit Committee, Board and Shareholders if and as applicable. All related party transactions were entered into was on arm's length basis and in ordinary course of business forms parts to notes to the Financial Statements.

14. COMPLIANCE WITH THE SECRETARIAL STANDARDS:

The Company has complied with the applicable SS-1 (Secretarial Standard on Meetings of the Board of Directors) and SS-2 (Secretarial Standard on General Meetings) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

15. DETAILS OF EMPLOYEE STOCK OPTIONS:

The Company does not have any Employee Stock Option Scheme / Plan.

16. AUDITORS AND AUDITORS' REPORT:

16.1 STATUTORY AUDITORS & THEIR REPORT:

M/s. A Bafna & Co, Chartered Accountants (Firm Registration No. 003660C), Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting ("AGM") of the Company.

Based on the recommendation of the Audit Committee, the Board of Directors has recommended to the Members the re-appointment of M/s. A Bafna & Co, Chartered Accountants (Firm Registration No. 003660C), as the Statutory Auditors of the Company for a **second consecutive term of five (5) years**, to hold office from the conclusion of the 10th Annual General Meeting to be held in the year 2026 until the conclusion of the 15th

Annual General Meeting to be held in the year 2031, at such remuneration as may be determined by the Board of Directors in consultation with the Statutory Auditors.

The Company has received their written consent to act as Statutory Auditors and a certificate confirming that their re-appointment, if approved by the Members, will be in accordance with the conditions prescribed under the provisions of the Companies Act, 2013, and the Rules made thereunder, including confirmation that they satisfy the criteria relating to independence and eligibility.

The Audit Report for the financial year 2025-26 is attached herewith. The report does not contain any reservation, qualification or adverse remark. Information referred in the Auditor Report are self-explanatory and do not call for any further comments.

16.2 COST AUDIT AND COST RECORDS:

Provision of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 are not applicable to the Company during the financial year under review.

16.3 SECRETARIAL AUDIT:

During the financial year under review, M/s. Ronak Jhuthawat & Co., Practicing Company Secretary, having Membership No. 9738 and Certificate of Practice No. 12094, to conduct the Secretarial Audit of the Company from the financial year 2025-26 to 2029-30, in accordance with the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder. The Secretarial Audit Report for the financial year 2025-26 as issued by M/s. Ronak Jhuthawat & Co. is annexed as “**Annexure-8**” to this Report and forms part of the Annual Report.

16.4 INTERNAL AUDITOR & THEIR REPORT:

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Company has appointed M/s. Pallavi Mehta & Associates, Chartered Accountants (Firm Registration No. 016194C), as the Internal Auditor of the Company for the financial year 2025-26.

The Internal Auditor functions independently and reports directly to the Audit Committee. The scope, methodology, and functioning of the internal audit are periodically reviewed and approved by the Audit Committee to ensure adequacy of internal financial controls, operational systems, risk management and compliance framework across various functions of the Company.

The Internal Auditor has carried out audits at periodic intervals and submitted their reports to the Audit Committee. Their observations and recommendations were duly reviewed and taken into consideration for strengthening the internal control systems. Based on the reports of the Internal Auditor, management has taken necessary corrective actions where required, to further improve the internal processes and control environment.

The Audit Committee, while reviewing the internal audit findings, did not note any material observations having significant impact on the financial position or operations of the Company.

17. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as “**Annexure 3**”.

18. POLICY RELATING TO DIRECTORS’ APPOINTMENT AND REMUNERATION ETC:

In compliance with the requirements of Section 178 of the Companies Act, 2013 the Company has laid down a Nomination and Remuneration Policy.

The salient features of the NRC Policy are as under:

- i. Setting out the objectives of the Policy
- ii. Definitions for the purposes of the Policy
- iii. Policy for appointment and removal of Director, KMP and Senior Management
- iv. Policy relating to the Remuneration for the Managerial Personnel, KMP, Senior Management Personnel & other employees
- v. Remuneration to Non-Executive/ Independent Director.

Policy can be accessed at <https://www.espritstones.com>.

19. ANNUAL EVALUATION OF BOARD'S PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

In compliance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has carried out an annual evaluation of the performance of the Board as a whole, the Committees of the Board, and individual Directors including Independent Directors.

The performance of the Board, its committees, and individual Directors was evaluated through a structured questionnaire covering various aspects such as composition, effectiveness of the Board processes, information flow, decision-making, performance of specific duties and obligations, attendance and contributions at meetings, and guidance/support provided to management.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the director being evaluated. The Independent Directors, in a separate meeting held in accordance with the provisions of the Act and Securities and Exchange Board of India Listing Regulations, reviewed the performance of the Chairperson, the Non-Independent Directors, and the Board as a whole.

The outcome of the evaluation reflected high levels of engagement and effective functioning of the Board and its Committees. The Board expressed satisfaction over the overall functioning, governance framework, and the contributions made by each Director towards the growth and performance of the Company.

20. BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2025-26:

The Board/Committee meetings are pre-scheduled and proper notices of Board and Committee meetings is circulated to the Directors well in advance to enable them to plan their schedules and to ensure their meaningful participation in the meetings.

During the financial year under review, 06 (Six) Board Meetings were held as per Section 173 of the Companies Act, 2013. The gap between two Board meetings was in compliance with the provisions contained in the Act, MCA General Circular no. 11/2020 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015. The annual calendar of meeting is broadly determined at the beginning of each year. The details of the meetings held during the year are as under:

Sr. No.	Date of Meeting	Total No. of Directors as on Meeting Date	Attendance	
			No. of Directors Attended	% of Attendance
1.	25.04.2025	6	6	100.00%
2.	15.05.2025	6	6	100.00%
3.	30.08.2025	6	6	100.00%
4.	14.10.2025	6	6	100.00%
5.	14.11.2025	6	6	100.00%
6.	12.03.2026	6	6	100.00%

Sr. No.	Name of Director	Category	Attendance at the Board Meetings	Attendance at AGM held on September 27, 2025
1.	Mr. Sunil Lunawath	Managing Director	06 out of 06	Yes
2.	Mr. Nitin Gattani	Joint Managing Director	06 out of 06	Yes
3.	Mr. Pradeep Lunawath	Executive Director	06 out of 06	Yes
4.	Mr. Sunil Gattani	Non-Executive Non-Independent Director	06 out of 06	Yes
5.	Mrs. Neelam Tater	Non-Executive Independent Director	06 out of 06	Yes
6.	Mr. Narendra Sharma	Non-Executive Independent Director	06 out of 06	Yes

21. DIRECTORS RESPONSIBILITY STATEMENT:

In terms of the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors, in respect of the year ended 31st March, 2026, hereby confirm that:

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

22. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

During the financial year under review, the Company had three subsidiary companies. Pursuant to the execution of the Share Transfer Deed on **30th September 2025**, the Company divested its entire **51.00% equity stake** in **Addwaya Chemicals Private Limited**, resulting in the cessation of the said company as a subsidiary of the Company with effect from **30th September 2025**. Consequently, Addwaya Chemicals Private Limited also ceased to be the Material Subsidiary of the Company from the said date.

As on **31st March 2026**, the Company has **two subsidiary companies**. The details of the subsidiaries, together with the statement containing salient features of the financial statements of the subsidiaries in the prescribed Form AOC-1, form part of this Annual Report.

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014, Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures in prescribed format AOC-1 is attached as **"Annexure 4"**.

Details of Subsidiary/ JV/ Associate Company is given below:

Sr. No.	Name of the Companies	Relation	% of Holding	Date of Incorporation
1.	Addwaya Chemicals Private Limited*	Subsidiary	51%	August 20, 2020
2.	Haique Stones Private Limited	Wholly Owned Subsidiary	100%	August 19, 2021
3.	Haique Stones Inc, USA	Wholly Owned Subsidiary	100%	August 06, 2021

*** Addwaya Chemicals Private Limited has ceased to be a Subsidiary of the Company w.e.f. 30th September, 2025.**

23. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations from all Independent Directors of the Company, confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

The Independent directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of independent directors maintained with the Indian Institute of Corporate affairs in terms of Section 150 of the act read with rule 6 of the Companies (appointment & Qualification of directors) rules, 2014.

The Board is of the opinion that all the Independent Directors of the Company possess requisite qualifications, experience and expertise in their domain areas and that they hold highest standards of integrity.

24. CHANGE IN THE NATURE OF BUSINESS:

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

25. INSURANCE:

The Company has taken adequate insurance to cover the risks to its employees, property (land and buildings), plant, equipment, other assets and third parties as may be applicable.

26. DETAILS OF THE DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors of the Company comprises of 6 [Six] directors as on March 31, 2026 who brings in a wide range of skills and experience to the Board. During the year under review and till the date of this report, there is no change in composition of Board of Directors and Key Managerial Personnel of the Company. In view of the applicable provisions of the Companies Act, 2013.

Retirement of Director by rotation

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and Articles of Association of the company, Mr. Sunil Gattani, Director of the Company liable to retire by rotation, has offered himself for re-appointment at the ensuing Annual General Meeting of the company. A resolution for her reappointment is being proposed at the Annual General Meeting and his Profile is included in the Notice.

Composition of the Board as on March 31, 2026

DIN	Name of Director	Category of Directors
01105117	Mr. Sunil Lunawath	Managing Director
00173258	Mr. Nitin Gattani	Joint Managing Director
01105096	Mr. Pradeep Lunawath	Executive Director
02409338	Mr. Sunil Gattani	Non-Executive Non-Independent Director
07653773	Mrs. Neelam Tater	Non-Executive Independent Director
01380061	Mr. Narendra Sharma	Non-Executive Independent Director

27. COMMITTEES OF THE BOARD:

The Board of Directors of your Company have formed various Committees, as per the provisions of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as a part of the best corporate governance practices, the terms of reference and the constitution of those Committees is in compliance with the applicable laws.

In order to ensure focused attention on business and for better governance and accountability, the Board has constituted the following committees:

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholders Relationship Committee
- D. Corporate Social Responsibility Committee
- E. Finance Committee
- F. Internal Complaints Committee
- G. Independent Directors Committee

The terms of reference of Audit Committee and Nomination and Remuneration Committee are in compliance with applicable provisions, rules and regulations of Companies Act, 2013 as amended from time to time and Listing regulations of Securities and Exchange Board of India.

A. AUDIT COMMITTEE:

The Audit Committee was constituted in the board meeting dated 06.02.2024 with following roles and responsibilities:

- (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions;
 - g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (21) reviewing the utilization of loans and/ or advances from, /investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- (22) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The audit committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (3) internal audit reports relating to internal control weaknesses; and
- (4) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (5) statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable.
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus notice.

COMPOSITION & MEETING DETAILS OF THE AUDIT COMMITTEE:

Name of the Directors	Categories	Designation in Committee	DIN Number
Mr. Narendra Sharma	Non-Executive Independent Director	Chairman of the Committee	DIN: 01380061
Mrs. Neelam Tater	Non-Executive Independent Director	Member of the Committee	DIN: 07653773
Mr. Sunil Lunawath	Managing Director	Member of the Committee	DIN: 01105117

During the financial year under review, 04 (Four) Audit Committee Meetings were held as mentioned below:

Sr. No.	Date of Meeting	No. of Directors entitled to attend Meeting	No. of Directors present at the Meeting
1.	25.04.2025	3	3
2.	15.05.2025	3	3
3.	30.08.2025	3	3
4.	14.11.2025	3	3

B. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee was constituted in the board meeting dated 06.02.2024 with following roles and responsibilities:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- (2) For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. uses the services of an external agencies, if required;
 - b. considers candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. considers the time commitments of the candidates.
- (3) formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- (4) devising a policy on diversity of Board of Directors;
- (5) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- (6) whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- (7) recommend to the Board, all remuneration, in whatever form, payable to senior management.

COMPOSITION & MEETING DETAILS OF THE NOMINATION AND REMUNERATION COMMITTEE:

Name of the Directors	Categories	Designation in Committee	DIN Number
Mrs. Neelam Tater	Non-Executive Independent Director	Chairman of the Committee	DIN: 07653773
Mr. Narendra Sharma	Non-Executive Independent Director	Member of the Committee	DIN: 01380061
Mr. Sunil Gattani	Non-Executive Non-Independent Director	Member of the Committee	DIN: 02409338

During the financial year under review, 02 (Two) Nomination and Remuneration Committee Meetings were held as mentioned below:

Sr. No.	Date of Meeting	No. of Directors entitled to attend Meeting	No. of Directors present at the Meeting
1.	25.04.2025	3	3
2.	14.10.2025	3	3

C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee was constituted in the board meeting dated 06.02.2024 with following roles and responsibilities:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrant/annual reports/statutory notices by the shareholders of the company.

COMPOSITION & MEETING DETAILS OF THE STAKEHOLDER'S RELATIONSHIP COMMITTEE:

Name of the Directors	Categories	Designation in Committee	DIN Number
Mr. Sunil Gattani	Non-Executive Non-Independent Director	Chairman of the Committee	DIN: 02409338
Mrs. Neelam Tater	Non-Executive Independent Director	Member of the Committee	DIN: 07653773
Mr. Pradeep Lunawath	Executive Director	Member of the Committee	DIN: 01105096

During the financial year under review, 02 (Two) Stakeholders Relationship Committee Meetings were held as mentioned below:

Sr. No.	Date of Meeting	No. of Directors entitled to attend Meeting	No. of Directors present at the Meeting
1.	30.08.2025	3	2
2.	14.10.2025	3	3

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee was re-constituted in the board meeting dated 06.02.2024 with following roles and responsibilities:

- (1) Formulation and Recommendation of CSR Policy, Ensure the policy aligns with the company's mission, legal requirements, and community needs;
- (2) Identifying and Recommending CSR Activities, Schedule VII of the Companies Act (in India), Relevant CSR regulations in the operating jurisdiction;
- (3) Budgeting and Allocation, Recommend the amount of expenditure to be incurred on CSR activities, ensure spending meets the minimum prescribed percentage of net profits (e.g., 2% of average net profits over the last 3 years, under Indian law);
- (4) Monitoring CSR Activities, Monitor the implementation of CSR projects directly or through implementing agencies, set up transparent monitoring mechanisms to track the progress of ongoing initiatives, review periodic reports and ensure timelines and budgets are being followed;

- (5) Compliance and Reporting, ensure CSR activities are in compliance with legal and regulatory standards, Ensure proper disclosure of CSR policy, programs, and outcomes on the company's website and in the Annual Report;
- (6) Evaluation of Impact, recommend methods for impact assessment of CSR initiatives, use feedback and evaluation data to improve future programs;
- (7) Engagement with Stakeholders, facilitate dialogue with communities, NGOs, local bodies, and government agencies, build partnerships and encourage employee involvement in CSR activities;
- (8) Governance and Ethics, ensure that CSR initiatives are ethically executed and reflect corporate values, Promote a culture of social responsibility within the organization.

COMPOSITION & MEETING DETAILS OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Name of the Directors	Categories	Designation in Committee	DIN Number
Mr. Nitin Gattani	Joint Managing Director	Chairman of the Committee	DIN: 00173258
Mr. Sunil Lunawath	Managing Director	Member of the Committee	DIN: 01105117
Mr. Narendra Sharma	Non-Executive Independent Director	Member of the Committee	DIN: 01380061

During the financial year under review, 03 (Three) Corporate Social Responsibility Committee Meetings were held as mentioned below:

Sr. No.	Date of Meeting	No. of Directors entitled to attend Meeting	No. of Directors present at the Meeting
1.	15.05.2025	3	3
2.	14.11.2025	3	3
3.	12.03.2026	3	3

E. FINANCE COMMITTEE:

The Finance Committee was constituted in the board meeting dated 02.09.2024 with following roles and responsibilities:

- (1) Budgeting and Financial Planning, Develop and recommend the annual operating and capital budgets, Review and monitor adherence to the approved budget, recommend adjustments or reallocations as needed;
- (2) Monitor monthly/quarterly financial statements, ensure that spending aligns with organizational goals and approved budgets, Ensure adequate internal controls and risk management systems;
- (3) Develop and recommend financial management policies (e.g., reserves, investments, procurement, cash handling), Ensure compliance with legal, regulatory, and ethical standards;
- (4) Recommend and liaise with external auditors, Oversee the annual audit process, Review and act on audit findings, Monitor and manage financial risks;
- (5) Recommend investment strategies in line with policy, monitor investment performance and compliance, Review the organization's liquidity and long-term financial planning;
- (6) Collaborate on financial projections related to fundraising, ensure resources are used efficiently and effectively;
- (7) Present financial reports and analysis to the Board, provide financial insights to assist in strategic decision-making.

COMPOSITION & MEETING DETAILS OF THE FINANCE COMMITTEE:

Name of the Directors	Categories	Designation in Committee	DIN Number
Mr. Sunil Lunawath	Managing Director	Chairman of the Committee	DIN: 01105117
Mr. Nitin Gattani	Joint Managing Director	Member of the Committee	DIN: 00173258

During the financial year under review, 01 (One) Finance Committee Meeting were held as mentioned below:

Sr. No.	Date of Meeting	No. of Directors entitled to attend Meeting	No. of Directors present at the Meeting
1.	14.11.2025	2	2

F. INTERNAL COMPLAINTS COMMITTEE:

The Internal Complaints Committee was constituted in the board meeting dated 28.03.2018 with following roles and responsibilities:

- (1) Promote awareness about sexual harassment and the organization's zero-tolerance policy, organize training and sensitization programs for employees and management, Advise the employer on workplace safety and policy improvements;
- (2) Accept written complaints of sexual harassment within stipulated timelines, Determine the admissibility of the complaint and offer informal resolution if requested, conduct fair, unbiased, and timely investigations, including interviews with involved parties and witnesses; Keep detailed documentation of all proceedings in a confidential manner, Submit findings and disciplinary recommendations to the employer;
- (3) Provide a safe space for complainants to share experiences without fear of retaliation, Assist the complainant during the inquiry process (e.g., allowing for representation, leave during inquiry), Protect complainants and witnesses from victimization;
- (4) Ensure the organization complies with applicable laws, Assist in any external audits or inspections;
- (5) Review cases and suggest systemic changes to prevent recurrence, Evaluate the effectiveness of current policies and recommend updates.

COMPOSITION & MEETING DETAILS OF THE INTERNAL COMPLAINTS COMMITTEE:

Sr. No.	Name of the Members	Designation in Committee
1.	Mrs. Saumya Gattani Daga	Chairperson / Presiding Officer of the Committee
2.	Mr. Om Prakash Choudhary	Member of the Committee
3.	Mr. Devendra Jain	Member of the Committee
4.	Mrs. Shraddha Gattani	Member of the Committee

During the financial year under review, 01 (One) Internal Complaints Committee Meeting were held as mentioned below:

Sr. No.	Date of Meeting	No. of Directors entitled to attend Meeting	No. of Directors present at the Meeting
1.	14.11.2025	4	4

G. INDEPENDENT DIRECTORS COMMITTEE:

The Independent Directors Committee was constituted in the board meeting dated 13.11.2024 with following roles and responsibilities:

- (1) Providing independent judgment on the Board's deliberations and safeguarding the interests of all stakeholders;
- (2) Reviewing the performance of the management and monitoring the achievement of agreed goals and objectives;
- (3) Satisfying themselves on the integrity of financial information and ensuring that financial controls and systems of risk management are robust and defensible;
- (4) Scrutinising the performance of management in meeting agreed goals and objectives and monitoring the reporting of performance;
- (5) Safeguarding the interests of minority shareholders and balancing the interests of all stakeholders;
- (6) Determining appropriate levels of remuneration of Executive Directors, Key Managerial Personnel and Senior Management, wherever applicable;
- (7) Evaluating the performance of Non-Independent Directors, the Board as a whole and the Chairperson of the Company;
- (8) Assessing the quality, quantity and timeliness of the flow of information between the management and the Board;
- (9) Bringing independent judgment to bear on issues of strategy, performance, resources, key appointments and standards of conduct; and
- (10) Performing such other duties and responsibilities as may be prescribed under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations.

COMPOSITION & MEETING DETAILS OF THE INDEPENDENT DIRECTORS COMMITTEE:

Name of the Directors	Categories	Designation in Committee	DIN Number
Mr. Narendra Sharma	Non-Executive Independent Director	Chairman of the Committee	DIN: 01380061
Mrs. Neelam Tater	Non-Executive Independent Director	Member of the Committee	DIN: 07653773

During the financial year under review, 01 (One) Independent Directors Committee Meeting were held as mentioned below:

Sr. No.	Date of Meeting	No. of Directors entitled to attend Meeting	No. of Directors present at the Meeting
1.	14.11.2025	2	2

28. PUBLIC DEPOSITS:

The Company has not accepted or renews any deposits, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

29. DEPOSITORY SYSTEM:

The Company has entered into agreement with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable shareholders to hold shares in a dematerialized form. The Company also offers simultaneous dematerialization of the physical shares lodged for transfer.

30. UNSECURED LOAN FROM DIRECTORS:

During the year under review, the Company has not borrowed an unsecured loan from any of the Directors of the Company.

31. DISCLOSURE UNDER SECTION 164 OF THE COMPANIES ACT, 2013:

The Company has received disclosures in Form DIR – 8 from all the Directors of the Company and has noted that none of the Director is disqualified under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

32. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The internal financial controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Financial Statements.

These include those policies and procedures that i) pertain to the maintenance of records which in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company, ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Financial Statements in accordance with Generally Accepted Accounting Principles and that receipts and expenditures are being made only in accordance with authorizations of the Management and the Directors of the Company and iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the assets that can have a material effect on the Financial Statements.

The Management assessed the effectiveness of the internal financial controls over financial reporting as of March 31, 2026, and the Board believes that the controls are adequate.

33. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance on sexual harassment at workplace and committed to provide a safe and conducive work environment to its employees. In line to make the workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”), the Company has constituted the Internal Complaints Committee (“ICC”) to redress complaints received regarding sexual harassment. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The policy formulated by the Company for prevention of sexual harassment is available on the website of the Company at www.espritstones.com. During the year under review, the Committee has met on 14th November, 2025.

The following is a summary of complaints received and resolved during the financial year:

Sr. No.	Nature of Complaints	Received	Disposed-Off	Pending
1.	Sexual Harassment	NIL	NIL	NIL
2.	Workplace Discrimination	NIL	NIL	NIL
3.	Child Labour	NIL	NIL	NIL
4.	Forced Labour	NIL	NIL	NIL
5.	Wages and Salary	NIL	NIL	NIL
6.	Other HR Issues	NIL	NIL	NIL

34. MATERNITY BENEFIT PROVIDED BY THE COMPANY UNDER MATERNITY BENEFIT ACT, 1961:

The Company declares that it has duly complied with the provisions of the Maternity Benefit Act, 1961. All eligible women employees have been extended the statutory benefits prescribed under the Act, including paid maternity leave, continuity of salary and service during the leave period, and post-maternity support such as nursing breaks and flexible return-to-work options, as applicable.

The Company also ensures that no discrimination is made in recruitment or service conditions on the grounds of maternity. Necessary internal systems and HR Policies are in place to uphold the spirit and letter of legislation.

The Company remains committed to fostering an inclusive and supportive work environment that upholds the rights and welfare of its women employees in accordance with applicable laws.

GENDER-WISE COMPOSITION OF EMPLOYEES:

In alignment with the principles of diversity, equity, and inclusion (DEI), the Company discloses below the gender composition of its workforce as on March 31, 2026.

Sr. No.	Employees Details	No. of Employees
1.	Male Employees	218 (Two Hundred and Eighteen)
2.	Female Employees	09 (Nine)
3.	Transgender Employees	0 (Zero)

This disclosure reinforces the Company's efforts to promote an inclusive workplace culture and equal opportunity for all individuals, regardless of gender.

35. NSE COMPLIANCES AND LISTING FEES:

The Company was listed on SME Platform of NSE Exchange as on 02nd August, 2024. Further, the Company has complied with all the applicable compliances with respect to the quarterly, half-yearly and yearly compliances to be done during the year. Further, the annual listing fees for the FY 2026-27 have been paid.

36. DOWNSTREAM INVESTMENTS:

The Company neither have any Foreign Direct Investment (FDI) nor invested as any Downstream Investment in any other Company in India.

37. AUDIT TRAIL APPLICABILITY (AUDIT AND AUDITORS) RULES, 2014 - RULE 11 OF THE COMPANIES ACT, 2013:

The Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

38. APPOINTMENT OF DESIGNATED PERSON (MANAGEMENT AND ADMINISTRATION) RULES, 2014 – RULE 9 OF THE COMPANIES ACT, 2013:

In accordance with Rule 9 of the Appointment of Designated Person (Management and Administration) Rules 2014, it is essential for the company to designate a responsible individual for ensuring compliance with statutory obligations.

The company has proposed and appointed Mrs. Anjali Pandey, Company Secretary and Compliance Officer as Designated person in a Board meeting and the same has been reported in Annual Return of the company.

39. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Pursuant to section 177(9) & (10) of the Companies Act, 2013 and Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, the Board had approved a vigil mechanism (Whistle Blowing Policy). The Policy provides an independent mechanism for reporting and resolving complaints pertaining to unethical behavior, actual or suspected fraud and violation of the code of conduct of the Company. The policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: <https://www.espritstones.com>.

40. CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements required pursuant to section 129(3) of the Companies Act, 2013 (read with rule 6 of the Companies (Accounts) Rule, 2014 as amended from time to time) have been prepared in accordance with the relevant accounting standards as per the Companies (Accounting Standard) Rules, 2006.

The Audited Consolidated financial statements are provided along with the Standalone Financial Statements.

41. PREVENTION OF INSIDER TRADING:

In compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted a code of conduct and code of practices and procedures for fair disclosure of unpublished price sensitive information to preserve the confidentiality of price sensitive information, prevent misuse thereof and regulate the trading by Insiders. The code of practice and procedures for fair disclosure of unpublished price sensitive information is also available on the Company's website i.e. <https://www.espritstones.com>.

42. DETAILS OF APPLICATION/ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

Neither any application was made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year.

43. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

As Company has not done any one-time settlement during the year under review hence no disclosure is required.

44. CORPORATE GOVERNANCE REPORT:

The Company Being Listed on Small and Medium Enterprise (SME) Platform of National Stock Exchange of India Limited (NSE), the provisions of Corporate Governance are not applicable to the Company. Non-Applicability of submission of Report on Corporate Governance is given in "Annexure 5".

45. CFO AND MD CERTIFICATION:

Compliance Certificate as Required Under Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is Given in "Annexure 6".

46. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company Being Listed on Small and Medium Enterprise (SME) Platform of National Stock Exchange of India Limited (NSE), the provisions regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company.

47. REPORTING OF FRAUD, COMMENTS BY BOARD ON EVERY QUALIFICATION, RESERVATION, ADVERSE REMARK OR DISCLAIMER:

For the Financial year 2025-26, the Statutory Auditor has not reported any instances of frauds committed in the Company by its Officers or Employees under Section 143(12) of the Companies Act, 2013.

48. CODE FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL:

The Company has laid down a code of conduct for the members of the board and senior management personnel of the Company. The code of conduct has been posted on the Company's website <https://www.espritstones.com>.

The code of conduct has been circulated to all the members of the Board and Senior Management personnel and they have affirmed their compliance with the said code of conduct for the financial year ended 31st March, 2026. A declaration to this effect signed by Mr. Sunil Lunawath, Managing Director, DIN: 01105117 and Mr. Nitin Gattani, Joint Managing Director, DIN: 00173258 of the Company is appended at the end of this report as "Annexure 7".

49. GENERAL OTHER DISCLOSURES:

During the Financial year 2025-26, the following transaction were reported:

- a) During the year the company has not Issue sweat equity shares, bonus shares or employees stock option;
- b) Disclosure of certain type of agreements binding listed entities: There were no agreements entered as such.



50. ACKNOWLEDGEMENT AND APPRECIATION:

Your directors wish to place on record their deep appreciation for the co-operation extended by the bankers and the services rendered by the employees at all levels and their dedication.

For and on behalf of the Board of Directors
For **Esprit Stones Limited**

Date: **07th September, 2026**
Place: **Udaipur**

Sd/-
Name: **Sunil Lunawath**
Designation: **Managing Director**
DIN: **01105117**

Sd/-
Name: **Nitin Gattani**
Designation: **Joint Managing Director**
DIN: **00173258**

ANNEXURE-1

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read along with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption are as mentioned below as on 31.03.2026:

(A) Conservation of Energy:

(i) the steps taken or impact on conservation of energy; The Company at group level have also installed solar power plant with an aggregate installed capacity of 1,706 KW at our Manufacturing Facilities which enable us to reduce our power costs. Further we have installed ground mounted solar generation plant of 1,300 KW at Gajner, Rajasthan and have long term open access agreement with state power grids for transmission of electricity which further reduces our utility costs as we get the credit benefit of such transmission in our power bill. The management gives due importance to conservation of energy wherever feasible, and also reviews from time to time, the measures taken / to be taken for reduced and prudent consumption and conservation of energy.

(ii) the steps taken by the company for utilizing alternate sources of energy; The Company generates substantial part of electricity for its consumption through solar panels installed on the rooftop of factories and ground mounted solar generation plant installed at Gajner, Rajasthan.

(iii) the capital investment on energy conservation equipments: Rs. 1,030.84 Lakhs at group level.

(B) Technology Absorption:

(i) the efforts made towards technology absorption: The Company has imported multiple machines for manufacturing of its products from Italy and China and gets updates from these vendors on latest technology. Further, the technical team regularly visits foreign countries to understand the current market developments in the products being offered by the Company.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution: The Company is able to produce improved products and is able to do the new product development through these imported machines.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

(a) the details of technology imported: Not applicable

(b) the year of import: Not applicable

(c) whether the technology been fully absorbed: Not applicable

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not applicable

(iv) the expenditure incurred on Research and Development: NIL

(C) Foreign Exchange Earnings and Outgo during the year:

Particulars	Value in INR Lakhs
Foreign Exchange Earned	9,405.01
Foreign Exchange Outgo	191.26

For and on behalf of the Board of Directors
For Esprit Stones Limited

Date: 07th September, 2026
Place: Udaipur

Sd/-
Name: **Sunil Lunawath**
Designation: **Managing Director**
DIN: **01105117**

Sd/-
Name: **Nitin Gattani**
Designation: **Joint Managing Director**
DIN: **00173258**

ANNEXURE-2

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2025-26

[Pursuant to Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

In compliance of Section 135 of the Companies Act, 2013 (Act) and Companies (Corporate Social Responsibility Policy) Rules, 2014 and other notifications, circulars issued by the Ministry of Corporate Affairs from time to time, Esprit Stones Limited ("the Company") adopted and implemented CSR policy on undertaking the corporate social responsibility activities.

ESL will volunteer its resources to the extent it can reasonably afford to contribute towards enhancing the quality of life thereby the standard of living of people, particularly those belonging to the marginalized section of society. It will take up projects and /or carry out activities under broad programs i.e. Education, Empowerment, Health, Relief, Infrastructure and Conservation within the scope of activities prescribed under Schedule VII of the companies Act, 2013

2. COMPOSITION OF CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

Sr. No.	Name of Director	Category of Directors	Position held in the Committee	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee entitled to during the year	Number of meetings of CSR Committee attended during the year
1.	Sunil Lunawath	Non-Independent, Executive Director	Chairman	3	3	3
2.	Nitin Gattani	Non-Independent, Executive Director	Member	3	3	3
3.	Narendra Sharma	Independent, Non-Executive Director	Member	3	3	3

During the financial year under review, 03 (Three) Corporate Social Responsibility Committee Meetings were held on 15.05.25, 14.11.25 and 12.03.2026. The necessary and requisite quorum was present at the meetings.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

It can be accessed at <https://www.espritstones.com>

4. Provide the executive summary along with web links of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable, as average CSR obligation in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years is less than threshold prescribed in the Act.

5. CSR OBLIGATION:

Sr. No.	Particulars	Amount in INR Lakhs
(a)	Average net profit of the company as per section 135(5)	1,050.33
(b)	Two percent of average net profit of the company as per section 135(5)	21.01
(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	0.00
(d)	Amount required to be set off for the financial year, if any	4.67
(e)	Total CSR obligation for the financial year (5b+5c-5d).	16.34

6. DETAILS OF CSR FOR THE FINANCIAL YEAR:

Sr. No.	Particulars	Amount in INR Lakhs			
(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	19.72			
(b)	Amount spent in administrative overheads	NIL			
(c)	Amount spent on Impact Assessment, if applicable	NIL			
(d)	Total amount spent for the Financial Year [6(a)+6(b)+6(c)]	19.72			
(e)	CSR amount spent or unspent for the Financial Year:				
Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
19.72	NIL		NIL		
(f)	Excess amount for set-off, if any:				
Sr. No.	Particular	Amount in INR Lakhs			
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	21.01			
(ii)	Total amount spent for the Financial Year* [*including excess amount of 4.67 Lacs carried forward from previous years]	24.39			
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	3.38			
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL			
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	3.38			

7. (a) Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the reporting Financial Year (in Rs.).	Amount transferred to a Fund as specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding Financial Years (in Rs)
				Name of the Fund	Amount (in Rs)	Date of Transfer	
NA	NA	NA	NA	NA	NA	NA	NA

7. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
	Total	-	-	-	-	-	-	-

8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: No

(Asset wise Details)

(a) Date of creation or acquisition of the capital asset(s): Not Applicable.

(b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) - Not Applicable

For and on behalf of the Board of Directors
For Esprit Stones Limited

Sd/-
Name: **Sunil Lunawath**
Date: **07th September, 2026**
Place: **Udaipur**

Sd/-
Name: **Nitin Gattani**
Designation: **Managing Director**
DIN: **01105117**

Sd/-
Name: **Nitin Gattani**
Designation: **Joint Managing Director**
DIN: **00173258**

ANNEXURE-3

Information under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- A. The ratio of the remuneration of each director to the Median Remuneration of the Employees (MRE) of the Company and percentage increase in remuneration of each director:

Name of the Directors	Remuneration in F.Y. 2025-26 (in INR Lakhs)	Remuneration in F.Y. 2024-25 (in INR Lakhs)	% Incr. / (Dec) in Remuneration	Ratio of Remuneration to MRE
Mr. Sunil Lunawath	31.92	24.50	30.29%	10.23
Mr. Nitin Gattani	31.92	24.50	30.29%	10.23
Mr. Pradeep Lunawath	21.36	20.25	5.48%	6.85
Mr. Sunil Gattani*	-	-	-	-
Mr. Narendra Sharma*	-	-	-	-
Mrs. Neelam Tater*	-	-	-	-

*Independent and Non-Executive Directors were not paid any remuneration other than sitting fees

- B. The ratio of the remuneration of KMPs to the Median Remuneration of the Employees (MRE) of the Company and percentage increase in remuneration of KMPs:

Name of the Key Managerial Personnel (KMP's)	Remuneration in F.Y. 2025-26 (in INR Lakhs)	Remuneration in F.Y. 2024-25 (in INR Lakhs)	% Incr. / (Dec) in Remuneration	Ratio of Remuneration to MRE
Mr. Prakash Manghani* (Chief Financial Officer)	30.66	28.67	6.94%	9.83
Mrs. Anjali Pandey* (Company Secretary)	3.90	3.90	-	-

*CFO and CS were appointed on 05th February, 2024 and during the current year, there is no increase or decrease in remuneration.

- C. The median remuneration of employees was Rs. 3.26 Lakhs in financial year 2025-26.
- D. The total number of permanent employees "ON ROLL" of Company as at 31.03.2026: 227
- E. The percentage decrease in the median remuneration of employees in the financial year: (-) 4.29%
- F. Remuneration paid during the year ended 31st March, 2026 is as per the Remuneration Policy of the Company.
- G. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: (a) The increase in remuneration of the Directors was already approved on the recommendation of NRC considering the performance of the managerial personnel and the Company. (b) The KMPs are appointed on 05th February, 2024 for the first time and there has been no increment since then, hence no further disclosure can be made.
- H. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed below:

Information as per Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Report of the Board of Directors for the year ended 31st March, 2026

Details of Top Ten Employees in terms of remuneration drawn as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Name of the Employee Designation, Type of Employment, Age, Educational Qualification	Remuneration Received (Rs. in Lakhs)	Experience (in Years)	Date of Commencement of Employment	Last Employment held by such employee before joining the Company	Whether Relative of the Director, if yes, Name of the Director
1.	Siddhanth Lunawath Chief Marketing Officer On-roll Age- 31 years Bachelor of Science in Public Affairs	32.47	8	01-Jun-19	Aravali Minerals & Chemicals Private Limited	Son of Pradeep Lunawath
2.	Sunil Lunawath Managing Director On-roll Age- 50 years Bachelor of Commerce	31.92	27	19-Oct-16	Own Business	Brother of Pradeep Lunawath
3.	Nitin Gattani Joint Managing Director On-roll Age – 50 years Bachelor of Commerce	31.92	27	19-Oct-16	Own Business	-
4.	Raghavan Vedanthan Assistant Vice President (Sales & Marketing) On-roll Age- 50 years Diploma in Business Management & Foreign Trade	31.50	27	01-Feb-22	Asahi India Glass Limited	-
5.	Prakash Manghani Chief Financial Officer On Roll Age-35 years Chartered Accountant	30.66	14	05-Feb-24	Self Employed	-
6.	Shubh Gattani Business Development - US On-Roll Age – 24 years Bachelor of Science in Business Administration and Management	29.14	5	01-Oct-20	-	Son of Nitin Gattani
7.	Rohit Alexander D'Silva Assistant Vice President (International Sales) On-roll Age- 49 years Bachelor of Arts (B.A.)	25.93	26	16-Feb-23	Marble World LLC	-



ESPRIT STONES LIMITED

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8.	Ramisetty Rajani Kanth <i>General Manager</i> <i>On-roll Age- 48 years</i> <i>Bachelor of Arts (B.A.)</i>	24.46	26	15-Oct-21	Satya Exports	-
9.	Pradeep Lunawath <i>Executive Director</i> <i>On-roll Age- 52 years</i> <i>Secondary Education</i>	21.36	23	19-Oct-16	Own Business	Brother of Sunil Lunawath
10.	Sumit Gattani <i>Chief Operating Officer</i> <i>On-roll Age- 34 years</i> <i>B. Tech [Civil], MBA</i>	19.33	11	01-Oct-17	PwC [Pricewaterhouse Coopers LLP]	Son of Sunil Gattani

Notes:

1. None of the employees of the Company are covered under Rule 5 (2) (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as none of the employee is in receipt of remuneration in excess of remuneration drawn by Managing Director & Whole Time Directors and holding more than 2% of the paid-up capital of the Company.
2. None of the person was employed for the full year and was in receipt of remuneration of Rs. 102 Lakhs or more and employed for part of the year and was in receipt of remuneration aggregating to Rs. 8.5 Lakhs or more per month.

For and on behalf of the Board of Directors
For **Esprit Stones Limited**

Date: **07th September, 2026**
Place: **Udaipur**

Sd/-
Name: **Sunil Lunawath**
Designation: **Managing Director**
DIN: **01105117**

Sd/-
Name: **Nitin Gattani**
Designation: **Joint Managing Director**
DIN: **00173258**

ANNEXURE-4
FORM NO. AOC-1

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

Statement containing salient features of the Financial Statements of Subsidiaries / Associate Companies / Joint Ventures as on 31.03.2026

Part “A”: Subsidiaries

(Amount in Lakhs)

Particulars	Subsidiaries		
Sl. No.	1	2	3
Name of Subsidiaries	Addwaya Chemicals Private Limited*	Haique Stones Private Limited	Haique Stones INC, USA
The date since when subsidiary was acquired	August 20, 2020	August 19, 2021	August 13, 2021
The date on which subsidiary was ceased	September 30, 2025	-	-
Reporting period for the Subsidiary Concerned, if different from the holding company's reporting period	NA	NA	NA
Share Capital	15.00	6.55	8.19
Reserve & Surplus	-47.17	2893.44	246.21
Total Assets	2,315.65	7,100.72	3,209.54
Total Liabilities	2,315.65	7,100.72	3,209.54
Investments	-	-	-
Turnover	307	3,460.08	7,482.30
Profit before Taxation	-406.66	557.25	64.13
Current Tax	-	47.62	17.90
Deferred Tax	11.87	47.69	-
Profit after Taxation	-418.54	461.94	46.23
Proposed Dividend	NIL	NIL	NIL
% of Shareholding	51%	100%	100%

Notes:

1. Name of Subsidiaries which are yet to commence operation: NA
2. Name of Subsidiaries which have been liquidated or sold during the year: *Addwaya Chemicals Private Limited*
**Since, Addwaya Chemicals Private Limited was a subsidiary for a part of the financial year (1 April 2025 to 30 September 2025), its particulars should generally be included in accordance with the prescribed AOC-1 Format for the period during which it remained a subsidiary.*

Part “B”: Associates and Joint Ventures

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

The Company does not have any Associates or Joint Ventures accordingly no further disclosure has been made in this report.

For and on behalf of the Board of Directors

For Esprit Stones Limited

Sd/-

Sd/-

Name: **Sunil Lunawath**

Name: **Nitin Gattani**

Date: **07th September, 2026**

Designation: **Managing Director**

Designation: **Joint Managing Director**

Place: **Udaipur**

DIN: **01105117**

DIN: **00173258**

ANNEXURE-5

NON-APPLICABILITY OF SUBMISSION OF REPORT ON CORPORATE GOVERNANCE AS PER EXEMPTION GIVEN IN REGULATION 15 (2) (b) OF CHAPTER IV OF SEBI (LODR) REGULATIONS, 2015:

To the Members of the **ESPRIT STONES LIMITED** [CIN: U74999RJ2016PLC056284]

This is to certify that the equity shares of the Company are listed on Small and Medium Enterprise (SME) exchange of National Stock Exchange of India Limited (NSE) and hence, as per Regulation 15 (2) (b) of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the corporate governance provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is exempt to the Company.

Therefore, it is not required to submit Report on Corporate Governance.

**For and on behalf of the Board of Directors
For Esprit Stones Limited**

Date: **07th September, 2026**
Place: **Udaipur**

Sd/-
Name: **Sunil Lunawath**
Designation: **Managing Director**
DIN: **01105117**

Sd/-
Name: **Nitin Gattani**
Designation: **Joint Managing Director**
DIN: **00173258**

ANNEXURE-6
CFO AND MD CERTIFICATION
(PURSUANT TO REGULATION 17(8) OF SECURITIES AND EXCHANGE BOARD OF INDIA
(LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015)

The Board of Directors

Esprit Stones Limited

[CIN: U74999RJ2016PLC056284]

SP 1, Udyog Vihar, Sukher Industrial Area,

Udaipur, Rajasthan, India, PIN-313004

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2026 and that to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2025-2026 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee that:
1. There are no significant changes in internal control over financial reporting during the year;
 2. There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. There are no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: **07th September, 2026**

Place: **Udaipur**

Sd/-

Name: **Sunil Lunawath**

Designation: **Managing Director**

DIN: **01105117**

Sd/-

Name: **Prakash Manghani**

Designation: **Chief Financial Officer**

PAN: **BJVPM9149R**

ANNEXURE-7

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has received from the Senior Management team of the Company and the Members of the Board, a declaration of compliance with the code of Conduct as applicable to them in respect of the year ended March 31, 2026.

For and on behalf of the Board of Directors
For Esprit Stones Limited

Date: **07th September, 2026**
Place: **Udaipur**

Sd/-
Name: **Sunil Lunawath**
Designation: **Managing Director**
DIN: **01105117**

Sd/-
Name: **Nitin Gattani**
Designation: **Joint Managing Director**
DIN: **00173258**

ANNEXURE-8

FORM NO. MR-3

Secretarial Audit Report of Esprit Stones Limited

(For the Financial Year ended on 31.03.2026)

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

To,

The Members,

ESPRIT STONES LIMITED

SP1, Udyog Vihar, Sukher Industrial Area,
Udaipur, Rajasthan, India, 313004

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ESPRIT STONES LIMITED** (CIN-U74999RJ2016PLC056284) (hereinafter called the 'Company') for the financial year 01st April 2025 to 31st March 2026 (audit period). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained and also other information provided by the Company, its officers, agents and authorized representatives, during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed thereunder;
4. 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;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. 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 and Sweat Equity) Regulations, 2021; **Not applicable during the Audit period;**
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable during the Audit period;**
 - 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; - Not Applicable during the Audit period.

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021– **Not Applicable during the Audit period;**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018–**Not Applicable during the Audit period;**

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with provisions of the Act, Rules, applicable Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- Adequate notice was given to all directors to schedule the Board/Committee Meetings. Agenda were sent in advance except in case where meetings were convened at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decision at Board and Committee Meetings were carried out through requisite majority as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board.

We further report that based on the information provided and the representation made by the Company and also on the review of the compliance certificates, in our opinion, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with labor laws and other applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company sold its entire 51.00% shareholding in its Material Subsidiary, M/s. Addwaya Chemicals Private Limited, pursuant to a Share Transfer Deed executed on 30th September, 2025. Consequently, Addwaya Chemicals Private Limited ceased to be a subsidiary of the Company with effect from 30th September, 2025.

Place: Udaipur
Date: 12th August, 2026

For Ronak Jhuthawat & Co.
Practicing Company Secretary

Sd/-
CS RONAK JHUTHAWAT
Partner
Membership No. 9738
C.P. No.: 12094
Peer Review: 6592/2025
Unique Code: P2025RJ104300
UDIN- F009738H001091016

Note: 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.

**"ANNEXURE A"**

(Part of the Secretarial Audit Report of Esprit Stones Limited)

To,
The Members,
ESPRIT STONES LIMITED
SP1, Udyog Vihar, Sukher Industrial Area,
Udaipur, Rajasthan, India, 313004

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Udaipur
Date: 12th August, 2026

For Ronak Jhuthawat & Co.
Practicing Company Secretary

Sd/-
CS RONAK JHUTHAWAT
Partner
Membership No. 9738
C.P. No.: 12094
Peer Review: 6592/2025
Unique Code: P2025RJ104300
UDIN- F009738H001091016

FORM NO. MR-3

Secretarial Audit Report of Material Subsidiary Haique Stones Private Limited

(For the Financial Year ended on 31.03.2026)

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

To,
The Members,
HAIQUE STONES PRIVATE LIMITED
Khasra No 1106-1109, Village-Bhilwada, Lakhawali, Udaipur, Rajasthan, India, PIN-313011

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Haique Stones Private Limited** (hereinafter called "the Company") for the financial year 01st April 2025 to 31st March 2026 (audit period), who is Wholly owned subsidiary of Esprit Stones Limited, company whose equity shares are listed on the National Stock Exchange of India Limited. The Company is a Material Subsidiary Company within the meaning of Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained and also other information provided by the Company, its officers, agents and authorized representatives, during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of-

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under; - **Not Applicable during the Audit period**
3. The Depositories Act, 1996 and the Regulations and Bye-law framed thereunder- **Not Applicable during the Audit period**
4. 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;-**Not Applicable during the Audit period**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) 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; - **Not Applicable during the Audit period**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - **Not Applicable during the Audit period**;
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - **Not Applicable during the Audit period**;
 - 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; - **Not Applicable during the Audit period**;

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021– **Not Applicable during the Audit period;**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018–**Not Applicable during the Audit period;**

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with provisions of the Act, Rules, applicable Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

- The Board of Directors of the Company was duly constituted as per the provisions of the Companies Act, 2013 and rules made thereunder. The changes in the composition of the Board of Directors took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings. Agenda were sent in advance except in case where meetings were convened at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decision at Board Meetings was carried out through requisite majority as recorded in the minutes of the Meetings of the Board of Directors.

Place: Udaipur

Date: 12th August, 2026

**For Ronak Jhuthawat & Co.
Practicing Company Secretary**

Sd/-
CS RANI JAIN
Partner
Membership No. 7504
C.P. No.: 8177
Peer Review: 6592/2025
Unique Code: P2025RJ104300
UDIN- F007504H001131715

Note: 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.

“ANNEXURE A”

(Part of the Secretarial Audit Report of Haique Stones Private Limited)

To

The Members,

HAIQUE STONES PRIVATE LIMITED

Khasra No 1106-1109, Village-Bhilwada, Lakhawali, Udaipur, Rajasthan, India, PIN-313011

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Udaipur

Date: 12th August, 2026

For Ronak Jhuthawat & Co.
Practicing Company Secretary

Sd/-

CS RANI JAIN

Partner

Membership No. 7504

C.P. No.: 8177

Peer Review: 6592/2025

Unique Code: P2025RJ104300

UDIN- F007504H001131715

Form No MR-3

Secretarial Audit Report of Material Subsidiary Addwaya Chemicals Private Limited

(For the Financial Year ended on 31.03.2026)

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

To,
The Members,
ADDWAYA CHEMICALS PRIVATE LIMITED
400, 4 Floor Arihant Plaza, Udaipur, Rajasthan, India, PIN-313001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Addwaya Chemicals Private Limited** (hereinafter called "the Company"), who was a subsidiary of Esprit Stones Limited, company whose equity shares are listed on the National Stock Exchange of India Limited. The Company was a Material Subsidiary Company within the meaning of Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained and also other information provided by the Company, its officers, agents and authorized representatives, during the conduct of secretarial audit, we hereby report that in my opinion, the Company has, during the audit period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period 01st April 2025 to 30th September 2025 being the period during which the Company remained a subsidiary of the listed entity, Esprit Stones Limited, and ceased to be a subsidiary of Esprit Stones Limited with effect from 30th September, 2025, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under; - **Not Applicable during the Audit period**
3. The Depositories Act, 1996 and the Regulations and Bye-law framed thereunder - **Not Applicable during the Audit period**
4. 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; - **Not Applicable during the Audit period**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable during the Audit period**
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable during the Audit period**
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; - **Not Applicable during the Audit period**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - **Not Applicable during the Audit period;**
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - **Not Applicable during the Audit period;**



- 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; - **Not Applicable during the Audit period;**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021– **Not Applicable during the Audit period;**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018–**Not Applicable during the Audit period;**

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with provisions of the Act, Rules, applicable Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors.
- Adequate notice is given to all directors to schedule the Board Meetings. Agenda were sent in advance except in case where meetings were convened at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decision at Board Meetings was carried out through requisite majority as recorded in the minutes of the Meetings of the Board of Directors.
- We further report that based on the information provided and the representation made by the Company and also on the review of the compliance certificates, in our opinion, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with labor laws and other applicable laws, rules, regulations and guidelines.
- ***We further report that during the audit period, the Esprit Stones Limited, being the holding company of the Company, transferred its 51.00% shareholding held in the Company pursuant to a Share Transfer Deed executed on 30th September, 2025. Consequent upon the aforesaid transfer, the company ceased to be a subsidiary of Esprit Stones Limited with effect from 30th September, 2025.***

Place: Udaipur
Date: 31st August, 2026

For Ronak Jhuthawat & Co.
Practicing Company Secretary

Sd/-
CS Harish Damani
Partner
Membership No. 10714
C.P. No.: 1441
Peer Review: 6592/2025
Unique Code: P2025RJ104300
UDIN-F010714H001321177

Note: 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.

“ANNEXURE A”

(Part of the Secretarial Audit Report of Addwaya Chemicals Private Limited)

To
The Members,
ADDWAYA CHEMICALS PRIVATE LIMITED
400, 4 Floor Arihant Plaza, Udaipur, Rajasthan, India, PIN-313001

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Udaipur
Date: 31st August, 2026

For Ronak Jhuthawat & Co.
Practicing Company Secretary

Sd/-
CS Harish Damani
Partner
Membership No. 10714
C.P. No.: 1441
Peer Review: 6592/2025
Unique Code: P2025RJ104300
UDIN-F010714H001321177

**ANNEXURE-9****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS****(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,
The Members
Esprit Stones Limited
[CIN: U74999RJ2016PLC056284]
SP1, Udyog Vihar, Sukher Industrial Area,
Udaipur, Rajasthan, India, PIN-313004

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ESPRIT STONES LIMITED** having CIN- U74999RJ2016PLC056284 and having registered office at SP1, Udyog Vihar, Sukher Industrial Area, Udaipur, Rajasthan, India, 313004 (hereinafter referred to as 'the Company') produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

List of Directors as on 31st March 2026:

DIN Number	Full Name	Designation	Date of Appointment
01105117	Sunil Lunawath	Managing Director	19.10.2016
00173258	Nitin Gattani	Joint Managing Director	19.10.2016
01105096	Pradeep Lunawath	Executive Director	19.10.2016
02409338	Sunil Gattani	Non-Executive Non-Independent Director	19.10.2016
07653773	Neelam Tater	Non-Executive Independent Director	06.02.2024
01380061	Narendra Sharma	Non-Executive Independent Director	06.02.2024

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 31st August, 2026**Place: Udaipur****For Ronak Jhuthawat & Co.
Company Secretaries**

Sd/-

**Dr. CS Ronak Jhuthawat
Partner****Membership No.: FCS 9738****C.P. No.: 12094****Peer Review: 6592/2025****UDIN: F009738H001316538**

MANAGEMENT DISCUSSION & ANALYSIS

ECONOMIC OVERVIEW

Global Economy

The global economy remained resilient during FY 2025-26 (April 2025 to March 2026) amid geopolitical tensions, evolving trade policies, supply-chain disruptions and financial-market volatility. Global growth remained moderate. On a calendar-year basis, the IMF projected global growth of 3.1% in 2026 and 3.2% in 2027. Inflationary pressures have generally eased, although risks from geopolitical developments, commodity prices and changing trade policies remain. The global environment continues to underscore the importance of market diversification, supply-chain resilience, cost efficiency and prudent financial management for globally integrated businesses.

Global Economic Outlook

The global economic outlook remains one of moderate growth accompanied by elevated uncertainty. The IMF expects global inflation to resume its declining trajectory in 2027, although risks remain around geopolitical escalation, commodity-price movements, trade restrictions and financial-market conditions. At the same time, structural themes such as technological advancement, infrastructure investment, supply-chain diversification and the reconfiguration of global manufacturing are expected to create new opportunities across emerging markets. Businesses with diversified geographical exposure, competitive manufacturing capabilities and the ability to adapt their product and market mix are relatively better positioned to navigate this environment.

Indian Economy

India continued to remain one of the fastest-growing major economies during FY 2025-26 (April 2025 to March 2026), supported by domestic consumption, investment, infrastructure development and improving economic fundamentals. The Economic Survey 2025-26 estimated real GDP growth at 7.4% for FY 2025-26 and indicated a medium-term potential growth rate of approximately 7.0%. Continued public investment in infrastructure, expanding manufacturing capabilities, formalisation of economic activity and digitalisation remained important drivers of growth. India's growing integration with global value chains is creating opportunities for export-oriented manufacturing, while strong domestic demand provides a broad base for economic activity. However, the external environment remains a key consideration, with global trade policies, geopolitical developments, commodity prices and financial-market conditions influencing exports, input costs and currency movements. In this environment, competitiveness, diversification and resilience remain important for sustaining India's growth momentum.

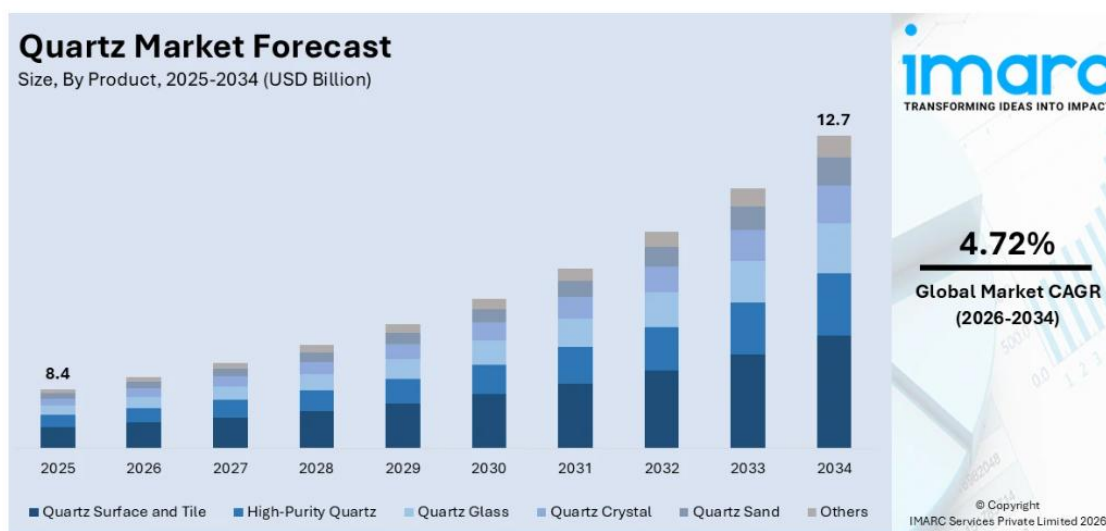
Indian Economic Outlook

India's medium-term economic outlook remains constructive, supported by strong domestic demand, infrastructure-led growth, investment, favourable demographics and continuing policy support for manufacturing and economic formalisation. The Economic Survey's assessment of approximately 7% medium-term potential growth provides a favourable backdrop for businesses operating in manufacturing and construction-linked sectors. For the domestic building-materials and surfaces industry, sustained urbanisation, residential and commercial construction, infrastructure development and increasing consumer preference for premium and engineered surfaces are expected to support long-term demand. At the same time, companies will need to remain focused on productivity, product differentiation, cost competitiveness, efficient working-capital management and evolving customer preferences.

INDUSTRIAL OVERVIEW

Engineered Stone Surfaces

Engineered stone surfaces constitute a growing segment of the global surfaces and building materials industry, comprising engineered quartz, composite marble, terrazzo and other engineered stone products. These products are used across residential, commercial and hospitality applications, including kitchen countertops, vanity tops, flooring, wall cladding and other interior surfaces. The industry continues to benefit from urbanisation, residential and commercial construction, renovation and remodelling, and increasing preference for durable, aesthetically versatile and low-maintenance surface solutions. Advancements in manufacturing and surface-finishing technologies have further expanded the range of designs, colours, textures and finishes available to consumers and design professionals.



Indian Industry

India has established itself as an important manufacturing and exporting base for engineered stone surfaces, supported by its mineral resource availability, established stone-processing ecosystem, manufacturing capabilities and skilled workforce. The domestic market is also witnessing increasing adoption of engineered surfaces, driven by urbanisation, premiumisation of residential and commercial interiors and growth in organised construction. The industry has a significant international orientation, with demand influenced by construction and renovation activity in key global markets. Accordingly, manufacturers remain exposed to global economic conditions, trade policies and tariffs, freight costs, raw-material prices, currency movements and competitive intensity.

Industry Outlook

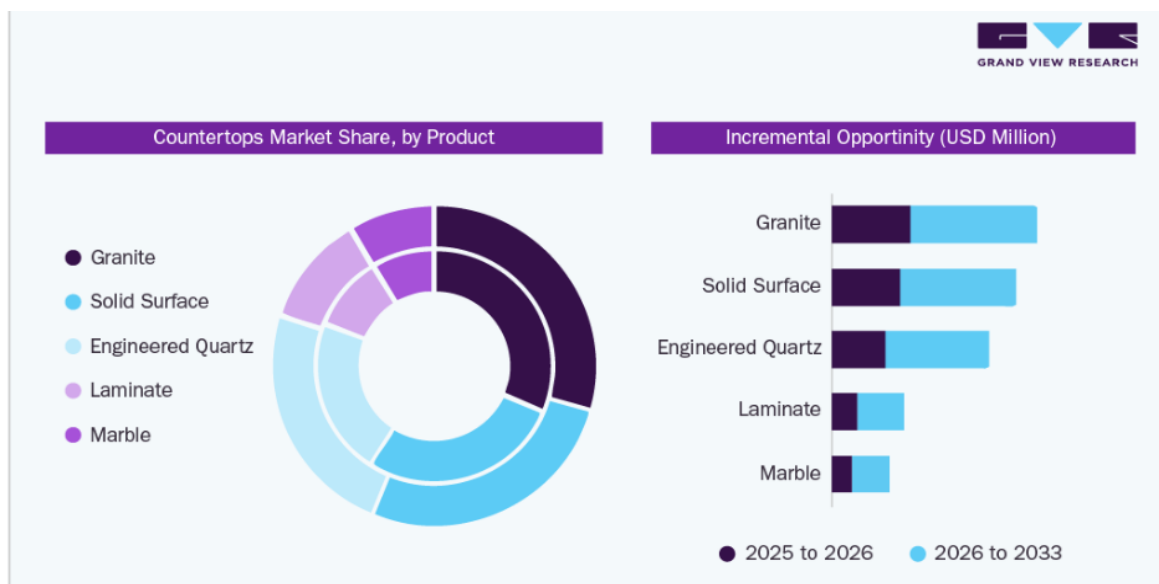
The long-term outlook for engineered stone surfaces remains favourable, supported by continued urbanisation, construction and renovation activity, premiumisation and increasing adoption of engineered surfaces across applications. India's manufacturing and export capabilities provide a strong platform for participation in global markets. Going forward, product innovation, portfolio diversification, manufacturing efficiency, quality consistency and geographic diversification are expected to remain key competitive priorities as the industry responds to evolving customer preferences and changing global trade dynamics.

GROWTH FOR ENGINEERED STONES MARKET – GLOBALLY & INDIA

The global engineered stone surfaces industry presents a compelling long-term growth opportunity, supported by sustained urbanisation, residential and commercial construction, renovation and remodelling, and increasing preference for durable, aesthetically appealing and low-maintenance surface solutions. The global engineered stone market was estimated at approximately USD 26.5 billion in 2025 and is projected to reach USD 45.2 billion by 2033, representing a CAGR of approximately 7.1%. More recent industry estimates place the market at approximately USD 29.0 billion in 2025, with a projected CAGR of 7.9% through 2032, reinforcing the expectation of sustained mid-to-high single-digit growth over the medium term.

Importantly, the opportunity extends well beyond traditional kitchen applications. Countertops currently constitute the largest application, accounting for approximately 79.7% of global engineered stone market revenue in 2025, with this segment itself projected to grow at approximately 7.3% CAGR through 2033. Engineered surfaces are also gaining acceptance across bathroom and vanity tops, flooring, wall cladding, façades, hospitality, commercial interiors and other architectural applications. The global engineered stone flooring segment is estimated to grow at approximately 5.6% CAGR, while engineered stone tiles are projected to grow at approximately 6.3% CAGR, indicating increasing scope for application and product diversification.

Against this backdrop, the Company believes that the evolution of the surfaces industry from a predominantly functional category towards a design-led, application-driven and premium interior solution creates significant opportunities for sustained growth. India's established manufacturing ecosystem, availability of key mineral resources, skilled processing capabilities and growing acceptance of engineered surfaces provide a strong foundation for Indian manufacturers to participate in global demand. The Company's diversified portfolio comprising engineered quartz, composite marble and terrazzo surfaces, coupled with its international market presence, positions it to address a broader range of customer requirements and applications. Going forward, the Company intends to leverage these structural growth opportunities through portfolio expansion, design and product innovation, deeper penetration across existing and new geographies, development of application-led solutions, strengthening of domestic market presence and continuous improvement in manufacturing productivity and cost competitiveness. The Company's focus will remain on building a more diversified and resilient business, with growth increasingly driven by product value, customer relationships, application expansion and geographic reach rather than dependence on any single product or market.



RISK MANAGEMENT

The engineered stone surfaces industry offers attractive long-term growth prospects; however, its global and export-oriented nature exposes industry participants to evolving trade policies, raw-material and logistics volatility, intense competition, regulatory developments and changing customer preferences. The Company recognises these risks and continues to strengthen its business model through product diversification, geographic expansion, operational efficiency and disciplined risk management.

Trade Policy and Market Access: Changes in tariffs, duties, trade remedies and import regulations in key export markets can materially influence landed costs and competitiveness. The evolving trade environment for quartz surface products in the United States highlights the importance of market diversification. The Company is therefore focused on broadening its geographic footprint, developing multiple export markets and strengthening domestic market penetration, thereby reducing dependence on any single geography and improving resilience to market-specific trade measures.

Raw Material, Energy and Logistics Volatility: Fluctuations in the prices and availability of minerals, resins, pigments, energy, packaging materials and freight can impact manufacturing costs and margins. The Company seeks to mitigate these risks through supplier diversification, procurement planning, inventory optimisation, manufacturing efficiencies and continuous cost management. Wherever market conditions permit, pricing and product-mix management are used to partially offset input-cost pressures.

Competitive Intensity and Pricing Pressure: The industry remains competitive, with manufacturers competing on design, quality, product consistency, delivery capabilities and price. Alternative materials such as natural stone, porcelain and sintered surfaces further expand the competitive landscape. The Company is addressing this through continuous product and design development, portfolio diversification across engineered quartz, composite marble and terrazzo, quality enhancement and greater focus on differentiated and value-added products, rather than relying solely on price-based competition.

Silica-related Health and Regulatory Developments: Increasing regulatory and customer focus on occupational exposure to respirable crystalline silica, particularly during fabrication of high-silica quartz surfaces, represents an evolving industry challenge. The Company recognises the importance of responsible manufacturing and downstream safety practices and continues to emphasise appropriate workplace controls, dust-management systems, employee awareness, safe operating procedures and compliance with applicable health and safety requirements. Product and portfolio diversification also provides the flexibility to respond to evolving regulatory and market requirements.

Changing Consumer Preferences and Substitution Risk: Rapid innovation in surface materials can alter customer preferences and create competition from newer technologies and materials. The Company therefore continues to focus on design innovation, product development, application-specific solutions and market feedback, enabling it to respond to evolving architectural and interior-design trends.

Overall, the Company's mitigation approach is centred on building a diversified, efficient and adaptable business model. Product and application diversification, wider geographic reach, operational excellence, prudent procurement and working-capital management, quality consistency and continuous innovation are expected to remain key pillars of the Company's strategy for managing industry risks while capturing the underlying growth opportunity in engineered stone surfaces.

COMPANY OVERVIEW

Esprit Stones Limited (“ESL” or “the Company”) is a professionally managed manufacturer and exporter of engineered stone surfaces, with a product portfolio comprising engineered quartz, composite marble and terrazzo surfaces. The Company is engaged in manufacturing surface solutions designed for a range of residential, commercial and architectural applications, including countertops, vanity tops, flooring, wall applications and interior spaces.

With a manufacturing-led business model and an international market orientation, ESL serves customers across domestic and overseas markets. The Company's capabilities encompass key stages of engineered-surface manufacturing, including raw-material preparation, mixing, pressing and vacuum vibro-compression, curing, calibration, polishing, inspection and finishing. The Company continues to focus on product quality, design development, manufacturing efficiency and customer responsiveness as key elements of its competitive positioning.

ESL is focused on building a diversified and scalable engineered surfaces business by expanding its product and application portfolio, strengthening its presence across domestic and international markets and improving operational efficiency. The Company's strategy is centred on leveraging the long-term growth potential of engineered surfaces while developing a more resilient business model through product diversification, geographic expansion, innovation, cost competitiveness and disciplined financial management.

The Company is progressing towards capacity expansion planned for 2027, with the proposed facility being designed around advanced manufacturing technology for engineered quartz surfaces. The new-generation technology is expected to enhance production capabilities, improve process precision and consistency, enable a broader range of contemporary designs and finishes, and strengthen overall manufacturing efficiency. The expansion is intended to provide the Company with additional capacity to address the anticipated growth in domestic and international demand, while creating greater flexibility in product development and application-specific offerings. The investment represents an important step in strengthening the Company's long-term manufacturing platform and positioning it to participate more effectively in the evolving engineered surfaces market.

During March 2025, Addwaya Chemicals Private Limited (“Addwaya”), the erstwhile subsidiary in which the Company held a 51% stake, received a direction from the Regional Office of the Rajasthan State Pollution Control Board (RSPCB), Rajsamand, for closure of its manufacturing operations under Section 33(A) of the Water (Prevention and Control of Pollution) Act, 1974 and Section 31(A) of the Air (Prevention and Control of Pollution) Act, 1981. While the management of Addwaya was exploring the possibility of obtaining the requisite statutory permissions for recommencement of operations, the Company subsequently disposed of its entire 51% shareholding in Addwaya on September 30, 2025, for ₹120.87 lakh, based on the valuation certified by a registered valuer. The disposal was undertaken at the then prevailing fair value and resulted in a net gain of ₹52.49 lakh, recognised as an exceptional item in the Statement of Profit and Loss for the six months ended September 30, 2025.

The strategic decision represents an important step in sharpening the Company's business focus and aligning its portfolio towards its core engineered stone surfaces business. The disposal enables the Company to concentrate its managerial, financial and operational resources on its principal growth platform, while simplifying the Group's business structure and strengthening its focus on engineered quartz, composite marble and terrazzo surfaces. Following the transaction, the engineered surfaces business constitutes the Company's principal operating focus, providing a clearer platform for future capacity expansion, product development, market diversification and sustainable growth.

FINANCIAL PERFORMANCE

Particulars	FY 25-26	FY 24-25	Change	Change
	in ₹ Lakhs	in ₹ Lakhs	in ₹ Lakhs	in %
Sale of products	17,153.16	31,840.25	(14,687.09)	-46.13%
Other operating revenue	99.74	307.83	(208.09)	-67.60%
Revenue from operations	17,252.90	32,148.08	(14,895.18)	-46.33%
Operating Expenses	(16,679.92)	(28,436.05)	11,756.13	-41.34%
Operating profits (not including other income)	572.98	3,712.03	(3,139.05)	-84.56%
Finance costs	491.64	799.25	(307.61)	-38.49%
Depreciation and amortisation expenses	969.30	954.37	14.93	1.56%
Other income	343.49	249.92	93.57	37.44%
Profit/ (Loss) before exceptional and extraordinary items and tax	(544.47)	2,208.33	(2,752.80)	-124.66%
Exceptional items	52.49	-	52.49	100.00%
Extraordinary items	-	-	-	100.00%
Profit / (Loss) before tax	(491.98)	2,208.33	(2,700.31)	-122.28%
Tax expenses	(106.62)	488.26	(594.88)	-121.84%
Profit / (Loss) for the year	(385.36)	1,720.07	(2,105.43)	-122.40%
Less: Minority interest	(123.77)	153.68	(277.45)	-180.54%
Profit / (Loss) for the year attributable to Owners of the Company	(261.59)	1,566.39	(1,827.98)	-116.70%

During FY 2025-26, the Group's consolidated revenue from operations stood at ₹172.53 crore, compared with ₹321.48 crore in FY 2024-25. The decline was primarily attributable to lower exports from the Engineered Stones business to the USA amid tariff-related uncertainties, together with the reduced contribution from the Unsaturated Polyester Resin business following its disposal during the year. The Engineered Stones segment recorded revenue of ₹170.40 crore, compared with ₹236.77 crore in the previous year, while the Resin segment contributed only ₹2.13 crore compared with ₹84.71 crore in FY 2024-25. Geographically, revenue from outside India stood at ₹112.51 crore, representing approximately 65% of total revenue, compared with ₹177.13 crore in the previous year, reflecting the continuing importance of international markets under the challenging US trade environment. These factors have resulted in Company's overall loss of INR ₹2.61 crore for the shareholders of the Company in FY 2025-26 against the profit of ₹15.66 crore earned during FY 24-25.

KEY RATIOS

Ratios	FY24-25	FY23-24	% Change
Debtors Turnover	2.37	3.87	(-)39%
Inventory Turnover	2.70	4.95	(-)46%
Debt Service Coverage Ratio	0.48	0.98	(-)51%
Current Ratio	1.44	1.31	(+)10%
Debt Equity Ratio	0.39	0.74	(-)47%
Operating Profit Margin % (excluding other income)	3.32%	11.55%	(-)71%
Net Profit Margin %	(-)2.23%	5.35%	(-)142%
Return on Capital Employed	(-)0.25%	13.94%	(-)102%

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Esprit Stones Limited
(Formerly Known as Esprit Stones Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of **Esprit Stones Limited (Formerly Known as Esprit Stones Private Limited)**, which comprise the balance sheet as at 31st March 2026, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, and its loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the Note no 40, regarding the matter that during the year under audit of the standalone financial statements, the Company has disposed off its entire equity stake (51%) in Addwaya Chemicals Private Limited for a consideration of Rs. 120.87 lakhs resulting in the cessation of its status as a subsidiary with effect from 30th September 2025. These shares were acquired by Mr. Pranav Banthia and Mrs. Seema Banthia. The resultant profit/loss arising from such disposal has been duly recognized and accounted in the standalone financial statements of the Company for the period.

Subsequent to the disposal of its controlling interest, the Company continues to provide a corporate guarantee to the bank in respect of the said company's bank credit facilities which amounting Rs 742 Lakhs and also continues to hold an inter-corporate loan balance of Rs. 516.50 lakhs and interest amount to Rs 46.49 Lakhs as on 31st March 2026 recoverable from Addwaya Chemicals Private Limited. The company has not made any provision against the said amount in view of the reasons stated in the said note regarding its expected recoverability as per the assessment of the company.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.no	Key Audit Matter	Auditor's Response
1.	Revenue Recognition: Revenue is one of the key profit drivers. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures with regard to revenue recognition included testing controls, around dispatches / deliveries, inventory reconciliations and substantive testing for cut-offs and analytical review procedures.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact, since these reports are expected to be made available to us after the date of this audit report hence currently, we have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure I** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to adequacy of Internal Financial Controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure II**. Our report expresses an Unmodified Opinion on the adequacy and operating effectiveness of the company internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – **Refer Note No. 27** to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note No. 35(k))

- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note No. 35(k))
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above contain any material misstatement.
- v. The company has not paid any dividend during the year hence the reporting under this clause is not applicable.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and audit trail has been preserved by the company as per statutory requirements.

For A Bafna & Co
Chartered Accountants
FRN: 003660C

SD/-
(Vivek Gupta)
Partner
M. No. 400543
UDIN: 26400543QAXAEX3115

Place: Udaipur
Date: 16/05/2026

Annexure I to the Independent Auditors' Report of Esprit Stones Limited (Formerly Known as Esprit Stones Private Limited)

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2026, we report that:

1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of Intangible assets.
 - b) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, Plant & Equipment are verified at least once in three year. Pursuant to this program, Property, Plant and Equipment were physically verified by the Management during the year. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanation given to us and on the basis of our examination of records of the company, the title deed of the immovable properties (Other than properties where the company is a lessee & the lease agreement is dully executed in favour of the lessee) disclosed in the financial statements are held in the name of the company as at the balance sheet date.
 - d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
2. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency together with coverage & procedure of verification are reasonable, further the management has not found discrepancies of more than 10% or more in the aggregate for each class of inventory.
(b) According to the information and explanation given to us and on the basis of our examination of records of the company, the company has been sanctioned working capital limits in excess of five crores, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the company with such bank or financial institutions are generally in agreement with the books of accounts of the company and no material deviations were observed.
3. (a) The Company has not made investment in any other company during the year and has not provided or stood guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or any other parties except—

Party name	Nature of Transaction	Closing Balance Amount (Rs. In Lakhs)
Addwaya Chemicals Private Limited (51% Subsidiary)*	Investment	Nil
Haique Stones Private Limited (Wholly Owned Subsidiary)	Investment	1901.21
Haique Stones Inc. (Wholly Owned Subsidiary)	Investment	8.19
Addwaya Chemicals Private Limited (Erstwhile Subsidiary)*	Loans or Advances	516.5
Addwaya Chemicals Private Limited (Erstwhile Subsidiary)*	Interest on Loan	46.49
Addwaya Chemicals Private Limited (Erstwhile Subsidiary)*	Corporate Guarantee	745.38
Haique Stones Private Limited (Wholly Owned Subsidiary)	Loans or Advances	1,242.00

* the company has disposed its entire holding of 51% in the Addwaya Chemicals Private Limited

- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, Guarantee given during the year, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally being regular as per stipulation.
- (d) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and securities.
5. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
6. According to the information & explanation given to us, maintenance of Cost records is not mandatory for the company hence this clause is not applicable.
7. In respect of statutory dues:
- a) In our opinion, the Company has been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they become payable except TDS demand of Rs 0.84 Lakhs which is under reconciliation and rectification.
- b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 except as following:-

Name of the Statute	Nature of dues	Amount (in Lakhs)	Period to which the amount relates	Forum where dispute is pending
GST Act	ITC/ Tax Liability	86.70	2018-19, 2019-20 & 2020-21	Appellate Authority,

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. (a) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any financial institution or banks or lender.
- (b) According to the records of the company examined by us and as per the information and explanations given to us, The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the company examined by us and as per the information and explanations given to us, term loans availed by the company have been used for the purpose for which they were raised.
- (d) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies.
 - (f) According to the records of the company examined by us and as per the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause (ix) (f) of the Order is not applicable to the Company.
10.
 - (a) During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Further In our opinion, money raised by the Company by way of initial public offer during the year ended March 31, 2024 have been utilized for the purpose for which the same was raised and unutilized amount is lying with scheduled bank in deposits.
 - (b) During the year ended 31 March 2026, the Company has not made any preferential allotment or private placement of shares or Convertible debentures , hence this clause is not applicable.
11.
 - (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14.
 - (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business
 - (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
15. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16.
 - (a) According to information & explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934
 - (b) According to information & explanation given to The company has not conducted any NBFC business during the year, hence, reporting under clause 3(xvi)(b) of the Order is not applicable.
 - (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
 - (d) The group does not have more than one CIC.
17. The Company has not incurred cash losses during the financial year and the immediately preceding year covered by our audit.
18. There has been no resignation of the statutory auditors of the Company during the year.

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither, give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year. According to the information and explanations given to us by the management, and on the basis of our examination of the records of the company, the company has spent the entire amount as per the requirement of section 135 of the Companies Act, 2013, and therefore sub-clauses (a) and (b) of clause (xx) of para 3 are not applicable.
21. There are no qualifications or adverse remarks in CARO report of subsidiaries included in the Consolidated Financial Statements.

For A Bafna & Co
Chartered Accountants
FRN: 003660C

SD/-
(Vivek Gupta)
Partner
M. No. 400543
UDIN: 26400543QAXAEX3115

Place: Udaipur
Date: 16/05/2026

ANNEXURE II To the independent auditor's report of Esprit Stones Limited (Formerly Known as Esprit Stones Private Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Esprit Stones Limited (Formerly Known as Esprit Stones Private Limited)** as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A Bafna & Co
Chartered Accountants
FRN: 003660C

SD/-
(Vivek Gupta)
Partner
M. No. 400543
UDIN: 26400543QAXAEX3115

Place: Udaipur
Date: 16/05/2026

Standalone Balance Sheet

As at 31 March 2026

Currency : in Lakhs INR (₹)

Particulars	Note	31 March 2026	31 March 2025
A EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	2,194.52	2,194.52
Reserves and surplus	4	10,023.32	10,492.39
Non-current liabilities			
Long-term borrowings	5	743.16	200.90
Deferred tax liabilities (net)	6	228.07	428.74
Long-term provisions	7	96.67	73.52
Current liabilities			
Short-term borrowings	8	3,227.90	3,357.73
Trade payables	9		
(a) total outstanding dues of micro and small enterprises; and		493.15	176.78
(b) total outstanding dues of other than micro and small enterprises		2,341.06	4,434.04
Other current liabilities	10	624.22	778.94
TOTAL		19,972.07	22,137.56
B ASSETS			
Non-current assets			
Property, Plant and Equipments and Intangible assets			
Tangible assets	11	6,396.09	6,741.85
Intangible assets		1.28	2.05
Capital work-in-progress		-	57.37
Non-current investments	12	1,909.40	1,917.05
Long-term loans and advances	13	1,932.02	2,552.54
Current assets			
Inventories	14	3,476.79	4,410.15
Trade receivables	15	5,097.18	4,866.81
Cash and bank balances	16	209.08	215.41
Short-term loans and advances	17	876.99	1,177.15
Other current assets	18	73.24	197.18
TOTAL		19,972.07	22,137.56
Significant accounting policies	2		
Notes to accounts	3 to 41		

The accompanying notes are integral part of these financial statements

As per our report attached
For **A Bafna & Co**
Chartered Accountants
Firm Reg. No. : 003660C

For and on behalf of Board of Directors of
Esprit Stones Limited
[Formerly known as Esprit Stones Private Limited]
CIN: U74999RJ2016PLC056284

SD/-
Vivek Gupta
Partner
Membership Number : 400543

SD/-
Sunil Lunawath
Managing Director
DIN : 01105117

SD/-
Nitin Gattani
Joint Managing Director
DIN: 00173258

Place : Udaipur
Date : 16 May 2026

SD/-
Prakash Manghani
CFO

SD/-
Anjali Pandey
Company Secretary
ICSI Membership Number : A45660

Standalone Statement of Profit and Loss

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

Particulars	Note	For the Year ended 31 March 2026	For the Year ended 31 March 2025
1 Revenue from operations	19	12,603.59	19,283.24
2 Other income	20	735.23	632.28
3 Total income (1+2)		13,338.82	19,915.52
4 Expenses			
(a) Cost of materials consumed	21	5,868.40	10,167.87
(b) Purchases of stock-in-trade	22	1,686.43	1,532.39
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	696.53	(415.72)
(d) Employee benefits expenses	24	1,452.97	1,876.27
(e) Finance costs	25	334.46	290.59
(f) Depreciation and amortisation expenses	11	664.34	620.81
(g) Other expenses	26	3,418.83	4,693.91
Total expenses		14,121.96	18,766.12
5 Profit/ (Loss) before exceptional and extraordinary items and tax (3 - 4)		(783.14)	1,149.40
6 Exceptional items	40	113.20	-
7 Profit / (Loss) before extraordinary items and tax (5 ± 6)		(669.94)	1,149.40
8 Extraordinary items		-	-
9 Profit / (Loss) before tax (7 ± 8)		(669.94)	1,149.40
10 Tax expense:			
(a) Current tax expense for current year		14.72	316.70
(b) Deferred tax expenses		(200.67)	(0.53)
(c) Prior year(s)		(2.92)	(2.96)
11 Profit / (Loss) from continuing operations (9 ± 10)		(481.07)	836.19
12 Profit / (Loss) for the year		(481.07)	836.19
Earning per equity share of face value of Rs. 10/-each Basic and diluted (not annualised)	29	(2.19)	4.18
Significant accounting policies	2		
Notes to accounts	3 to 41		

As per our report attached

For A Bafna & Co

Chartered Accountants

Firm Reg. No. : 003660C

SD/-

Vivek Gupta

Partner

Membership Number : 400543

Place : Udaipur

Date : 16 May 2026

For and on behalf of Board of Directors of

Esprit Stones Limited

[Formerly known as Esprit Stones Private Limited]

CIN: U74999RJ2016PLC056284

SD/-

Sunil Lunawath

Managing Director

DIN : 01105117

SD/-

Prakash Manghani

CFO

SD/-

Nitin Gattani

Joint Managing Director

DIN: 00173258

SD/-

Anjali Pandey

Company Secretary

ICSI Membership Number : A45660



Standalone Cash Flow Statement

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

Particulars	For the Year ended 31 March 2026	For the Year ended 31 March 2025
A Cash flow from operating activities		
Profit/(Loss) before tax	(669.94)	1,149.40
Adjustments for:		
Depreciation and amortization expenses	664.34	620.81
Finance cost	334.46	290.59
Profit on sale of fixed assets	(0.69)	-
Profit on sale of shares of subsidiary as exceptional item	(113.20)	-
Interest income	(259.78)	(286.26)
Unrealised foreign currency translation gain/ loss	(174.52)	(22.30)
Bad debts	29.49	-
Provision for doubtful debts and advances	165.14	5.09
Operating profit before working capital changes	(24.70)	1,757.33
Changes in working capitals		
Increase in long-term provisions	23.15	24.35
Increase/ (Decrease) in trade payables	(1,776.61)	1,413.46
(Decrease)/ Increase in other current liabilities	(63.71)	81.59
(Increase) in long-term loan and advances	(50.51)	2.92
Decrease/ (Increase) in inventories	933.36	(631.57)
(Increase) in trade receivables	(98.41)	(2,143.21)
(Decrease)/ Increase in short-term loans and advances	370.96	(111.16)
Cash generated from operations	(686.47)	393.71
Less: Income-tax paid (net)	(67.89)	(501.15)
Net cash flow from operating activities	(A) (754.36)	(107.44)
B Cash flow from investing activities		
Purchase of fixed assets and changes in Capital work-in-progress	(345.02)	(931.64)
Sale of fixed assets	6.25	-
Investment in fixed deposits	(195.75)	(201.51)
Proceeds from maturity of fixed deposits	201.51	207.53
Loans and advances to subsidiaries	494.45	(776.00)
Investment in subsidiaries	-	(1,900.21)
Interest Income	383.72	289.43
Proceeds from sale of shares of subsidiary	120.85	-
Net cash flow from/ (used in) investing activities	(B) 666.01	(3,312.40)
C Cash flow from financing activities		
Proceeds from issue of shares	-	5,035.42
Payment for Issue expenses	-	(492.25)
Subsidy received from Government against IPO expenses	12.00	-
Proceeds of long-term loans from banks	700.00	-
Repayment of long-term loans to banks	(365.91)	(879.94)
Proceeds/ (Repayment) of short-term loans from banks	78.34	55.55
Interest expenses paid	(336.65)	(295.86)
Net cash flow from/ (used in) financing activities	(C) 87.78	3,422.92
D Net increase/ (decrease) in cash and cash equivalents	(0.57)	3.08
Add: Cash and cash equivalents at the beginning of the period	13.90	10.82
E Cash and cash equivalents at the end of the period	13.33	13.90

Note:

The above Cash flow Statement has been prepared using Indirect method of preparation of Cash flow statement as per AS-3

The accompanying notes are integral part of these financial statements

As per our report attached

For A Bafna & Co

Chartered Accountants

Firm Reg. No. : 003660C

SD/-

Vivek Gupta

Partner

Membership Number : 400543

Place : Udaipur

Date : 16 May 2026

For and on behalf of Board of Directors of

Esprit Stones Limited

[Formerly known as Esprit Stones Private Limited]

CIN: U74999RJ2016PLC056284

SD/-

Sunil Lunawath

Managing Director

DIN : 01105117

SD/-

Prakash Manghani

CFO

SD/-

Nitin Gattani

Joint Managing Director

DIN: 00173258

SD/-

Anjali Pandey

Company Secretary

ICSI Membership Number : A45660

Notes to standalone financial statements

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

1 Background of the Company:

Esprit Stones Limited [Formerly known as Esprit Stones Private Limited] ('the Company') is a public limited company domiciled and incorporated in India under the Companies Act 2013 on 19 October 2016. The Company is public limited company with effect from 02 February 2024 vide the new CIN U74999RJ2016PLC056284. A fresh certificate of incorporation consequent to the conversion of private to public limited company was issued by the Registrar of Companies, Jaipur on 05 February 2024 under section 18 of the Companies Act, 2013 to give the effect of conversion.

The Company is primarily involve in artificial quartz surfaces which is a luxurious substitute of natural marble and granite. Its export customers are from USA, Canada, UAE and other countries. The Company market its product under the brand name "Haique".

The Company's registered office is at SP-1, Udyog Vihar, Sukher Industrial Area, Udaipur, Rajasthan, India, 313004 and its manufacturing units are located near Udaipur, Rajasthan. The Company got itself listed on the SME platform of National Stock Exchange (NSE-Emerge) in the financial year 2024-25.

2 Significant accounting policies

2.1 Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention on accrual basis to comply in all material aspects and in accordance with Indian Generally Accepted Accounting Principles (GAAP), which comprises of mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). The accounting policies have been consistently applied by the Company unless otherwise stated.

2.2 Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. The examples of such estimates include, the useful life of tangible and intangible fixed assets, allowances for doubtful debts / advances, future obligations in respect of retirement benefit plans etc. Actual results may differ from the estimates and assumptions and in such case, the difference is recognised in the period in which the results are known.

2.3 Revenue Recognition

- (a) The company recognises revenues on the sale of products, net of discounts, when the products are dispatched /delivered to the customer/ dealer or when delivered to the carrier for export sales, which is when risks and rewards of ownership pass to the customer/ dealer.
- (b) Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.
- (c) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (d) Dividend income is recognized when the company's right to receive dividend is established.
- (e) Export entitlements under the duty remission scheme are recognized as income on accrual basis

2.4 Recognition of Expenditure

Expenses are accounted for on an accrual basis and provision is made for all known losses and liabilities.

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

2.5 Tangible fixed assets

- (a) Tangible fixed assets are stated at cost less accumulated depreciation and impairment loss, if any.
- (b) The cost of Fixed Asset comprises its purchase price including non-refundable taxes & duties and directly attributable cost of bringing the asset (including leasehold improvements) to its working condition for its intended use. Subsequent upgradation / enhancements which results in an increase in the future benefits from such assets, beyond the previously assessed standard of performance, are also capitalised. Machinery spares which can be used only in connection with an item of tangible assets and whose use is not regular nature are written off over the estimated useful life of relevant assets.
- (c) All costs, including borrowing costs till commencement of commercial production, attributable to fixed assets are capitalized.
- (d) The depreciation has been charged as per below useful life:

Asset Name	Useful life
Buildings	05 to 30 years
Solar plants	15 years
Plant and machinery	15 years
Electrical installations	10 years
Furniture and fixtures	10 years
Office equipments	5 years
Lab equipments	10 years
Vehicles	8 years
Computers	3 to 6 years

2.6 Intangible Assets and amortization

Intangible assets are stated at cost less accumulated amortization. Intangible assets are amortized on a straight line basis over their estimated useful life of 3 years

2.7 Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

2.8 Capital Work-in-Progress

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the balance sheet date.

2.9 Depreciation and amortization

(a) Owned assets

- (i) Depreciation on fixed assets is provided on straight line method, at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. In case of plant and machinery used for double or triple shift, depreciation is increased to 150% and 200% of normal depreciation respectively.
- (ii) Significant components of assets having a life shorter than the main asset, if any is depreciated over the shorter life.

(b) Leased assets:

- (i). Leasehold lands are amortised over the period of lease.
- (ii). Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period is beyond the life of the building.
- (iii). In other cases, buildings constructed on leasehold lands are amortized over the primary lease period of the lands.

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

2.10 Investments

Current investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are carried at lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost. However, provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

2.11 Inventories

Inventories are valued at the lower of cost and net realizable value. Obsolete, slow moving and defective inventories are identified at the time of physical verification and necessary provision is made for such inventories. The cost is determined using the weighted average cost method for all categories of inventories. Cost includes in case of Raw materials, Stores & spares, Packing material and consumables the purchase price and attributable direct cost less discounts. In case of Work-in-Progress and finished goods cost includes direct labour, material costs and production overheads

2.12 Foreign Currency Transactions

- (a) Transactions denominated in foreign currencies are normally recorded on the initial recognition in the reported currency using the exchange rates prevailing on the date of transaction.
- (b) Monetary assets & liabilities denominated in foreign currencies are restated at the appropriate rates of exchange prevailing on the date of Balance Sheet. The Company uses exchange rates from Foreign Exchange Dealer's Association of India (FEDAI) and the resultant gain or loss is accounted in the period in which they arise.
- (c) Any income or expense on account of exchange difference either on settlement or on translation of monetary items are recognized in the Statement of Profit and Loss for the period in which they arise.
- (d) In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognized as income or expense along with the exchange differences on the underlying assets / liabilities. Further, in case of other contracts with committed exchange rates, the underlying is accounted at the rate so committed. Profit or loss on cancellations / renewals of forward contracts is recognized during the year. In case of option contracts, the losses are accounted on mark to market basis.

2.13 Earning Per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.14 Borrowing Cost

Interest and other borrowing costs attributable to qualifying assets are capitalized. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over 12 months) to get ready for its intended use or sale. Other interest and borrowing costs are charged to statement of Profit & Loss.

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

2.15 Employee Benefits

(a) Short Term Employee Benefits:

All employee benefits payable wholly within 12 months of rendering service are classified as short term employee benefit. Benefits such as Salaries, Wages, performance incentives, expected cost of bonus, exgratia are recognised during the period in which employee renders related service.

(b) Post-employment Benefits:

Defined contribution plans: Company's contribution paid / payable during the year to employees state insurance scheme and Provident Fund are recognised during the period.

Defined benefit plans: For defined benefit schemes in the form of gratuity, the cost of providing benefits is determined using the Project Unit Credit Method, with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discounting rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date, having maturity periods approximately to the terms of related obligations.

Actuarial gains/losses are recognised in full in the statement of profit and loss, for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligations recognised in the balance sheet represents that present value of the defined benefit obligation as adjusted for unrecognised past service cost.

(c) Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred.

2.16 Leases

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. The Company as a lessee:

(i) **Operating lease:** Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease.

(ii) **Finance leases:** Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income over the period of the lease.

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

2.17 Provisions, Contingent Liabilities, Contingent Assets and commitments

(a) Provisions:

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

(b) Contingent Liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(c) Contingent Assets:

Contingent Assets are neither recognised nor disclosed in the financial statements

(d) Commitments:

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets

2.18 Accounting for Taxes on Income

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income-tax Act, 1961

(b) Deferred Tax

Deferred tax assets and liabilities are recognised by computing the tax effect on timing differences which arise during the year and reverse in the subsequent periods. Deferred tax assets against unabsorbed depreciation and carried forward loss under tax laws, are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets on other timing differences are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

- (b) Current and Deferred tax is measured based on the provisions of tax laws and tax rates enacted or substantively enacted as at the Balance Sheet date.

2.19 Government Grants

The Company has received government grants related to revenue expenses, which are deducted from related revenue expenses for the year.

2.20 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks

Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

31 March 2026 31 March 2025

3 Equity Share Capital

(a) Authorised share capital

2,50,00,000 equity shares of ₹ 10 each	2,500.00	2,500.00
(As at 31 March 2025: 2,50,00,000 equity shares of ₹ 10 each)		

(b) Issued, subscribed and paid up share capital

2,19,45,200 equity shares of ₹ 10 each	2,194.52	2,194.52
(As at 31 March 2025: 2,19,45,200 equity shares of ₹ 10 each)		
	2,194.52	2,194.52

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Equity Shares	31 March 2026		31 March 2025	
	No of shares	Amount	No of shares	Amount
At the beginning of the year	21,945,200	2,194.52	16,150,000	1,615.00
Add: Shares through Initial Public Offer (refer note 'k' below)	-	-	5,795,200	579.52
Add: Bonus shares issued during the year	-	-	-	-
At the end of the period	21,945,200	2,194.52	21,945,200	2,194.52

(d) The company has only one class of shares referred to as equity shares having at par value Rs. 10/- each holder of equity shares is entitled to one vote per share. In the event of liquidation, the ordinary shareholders are entitled to receive the remaining assets of the company after payment of all preferential amounts, in proportion to their shareholdings.

(e) The Company does not have any Holding Company/ Ultimate Holding Company.

(f) No Ordinary Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestments as at the Balance Sheet date.

(g) No Shares have been bought back by the company during the period of 5 years preceeding the date as at which the Balance Sheet is prepared.

(h) No Securities converted into Equity/preference Shares have been issued by the Company during the year.

(i) No Calls are unpaid by any Director or Officer of the Company during the year.

(j) Further there are no shares that have been allotted by the Company without payment being received in cash, or by way of bonus shares as on Balance Sheet date except as disclosed in note (c) above.

(k) During the financial year ended March 31, 2025, Company has completed an initial public offerings (IPO) of 57,95,200 equity shares of face value Rs. 10/- at an issue price of Rs. 87/- per share (including equity shares of 1,28,000 with a face value of Rs. 10/- each at an issue price of Rs. 82/- per share under employee reservation) which comprises of fresh equity issue of 57,95,200 shares aggregating to Rs. 5,035.42 lakhs. Further, against the expenses related to IPO, Rs. 493.81 was debited against Securities Premium Account as per Section 52 of Companies Act, 2013. Pursuant to the IPO, the equity shares of company have got listed on the SME Platform of National Stock Exchange "(NSE-Emerge)" on August 02, 2024

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

(l) Details of shares held by each shareholder holding more than 5% shares:

Equity Shares	31 March 2026		31 March 2025	
	No of shares	% Holding	No of shares	% Holding
Nitin Gattani	4,539,000	20.68%	4,539,000	20.68%
Sangeeta Gattani	2,809,250	12.80%	2,809,250	12.80%
Sunil Lunawath	2,210,000	10.07%	2,210,000	10.07%
Pradeep Lunawath	1,400,205	6.38%	1,400,205	6.38%
Mangilal Lunawath	1,398,590	6.37%	1,398,590	6.37%
Sayar Kumari Lunawath	1,292,000	5.89%	1,292,000	5.89%
Vijay Shree Lunawath	1,292,000	5.89%	1,292,000	5.89%
	14,941,045	68.08%	14,941,045	68.08%

(m) Details of shares held by promoters at the end of the period

Equity Shares	31 March 2026		
	Number of shares	% of total shares	% change during the period
Pradeep Lunawath	1,400,205	6.38%	0.00%
Sunil Lunawath	2,210,000	10.07%	0.00%
Nitin Gattani	4,539,000	20.68%	0.00%
Anushree Lunawath	482,205	2.20%	0.00%
Sangeeta Gattani	2,809,250	12.80%	0.00%
	11,440,660	52.13%	0.00%

Equity Shares	31 March 2025		
	Number of shares	% of total shares	% change during the period
Pradeep Lunawath	1,400,205	6.38%	-2.29%
Sunil Lunawath	2,210,000	10.07%	-3.61%
Nitin Gattani	4,539,000	20.68%	-7.42%
Anushree Lunawath	482,205	2.20%	-0.79%
Sangeeta Gattani	2,809,250	12.80%	-4.59%
	11,440,660	52.13%	-18.71%

4 Reserves and surplus
(a) Surplus /(Deficit) in Statement of Profit and Loss
(a) Accumulated reserves

Balance at the beginning of the period	6,530.30	5,694.11
Add: Profit/ (Loss) for the year	(481.07)	836.19
Balance at the end of the year	6,049.23	6,530.30

(b) Securities Premium

Balance at the beginning of the period	3,962.09	-
(a) Add: Proceeds from the issues of shares through IPO during the year [refer note 3(k)]	-	4,455.90
(b) Less: Utilised during the period	-	(493.81)
(c) Add: Subsidy received from Government against IPO expenses	12.00	-
Balance at the end of the period	3,974.09	3,962.09
	10,023.32	10,492.39

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

	31 March 2026	31 March 2025
5 Long-term borrowings		
(a) Term Loans		
Term loan(s) from HDFC Bank Limited	878.10	503.59
	878.10	503.59
Less: Current maturities under "Short-term borrowings" (refer note 8)		
Term loan(s) from HDFC Bank Limited	(135.87)	(324.27)
	(135.87)	(324.27)
Non-current maturities of Secured Loans	742.23	179.32
(b) Finance Lease Obligations		
Vehicle loan(s) from HDFC Bank Limited	21.58	62.00
Less: Current maturities under "Short-term borrowings" (refer note 8)		
Vehicle loan(s) from HDFC Bank Limited	(20.65)	(40.42)
	(20.65)	(40.42)
Non-current maturities of finance lease obligations	0.93	21.58
(c) Unsecured loans		
From directors		
Loan from Director - Mangi Lal Lunawath	-	-
Loan from Director - Nitin Gattani	-	-
Loan from Director - Pradeep Lunawath	-	-
Loan from Director - Sunil Lunawath	-	-
From related parties		
Loan from Anushree Lunawath	-	-
Loan from Sayar Kumari Lunawath	-	-
Non-current maturities of Unsecured loans	-	-
	743.16	200.90
5.1 Term Loans & Working capital facilities are from HDFC Bank Limited. The term loans are secured by hypothecation of first charge on land and building at Khasra No. 1106-1109, Revenue Village-Bhilwada, Lakhawali, Udaipur (Rajasthan) - 313011 and movable properties including machineries, current assets such as inventories, book debts and other receivables of the company, both present and future besides personal guarantee of the directors.		
5.2 Finance Lease Obligations:		
Finance lease obligations are repayable in equated monthly installments. The assets acquired on finance lease mainly comprise vehicles. The lease has a primary period, which is fixed and non-cancellable. Finance leases are secured by hypothecation of respective assets purchased out of finance.		
6 Deferred tax liabilities (net)		
Deferred tax liabilities:		
On excess of WDV of fixed assets in books in comparison to WDV in Income-tax Act, 1961	498.91	501.70
	498.91	501.70
Deferred tax assets:		
On provision for doubtful debts	(76.40)	(34.84)
On unabsorbed depreciation under Income-tax Act, 1961	(148.60)	-
On expenses allowable under Income-tax Act, 1961 on payment basis	(45.84)	(38.12)
	(270.84)	(72.96)
	228.07	428.74
7 Long-term provisions		
Provision for employee benefits - Gratuity	96.67	73.52
	96.67	73.52
8 Short-term borrowings		
(a) Working Capital Loans		
Working Capital facility from HDFC Bank Limited	1,683.33	1,494.25
Packing Credit Loan from HDFC Bank Limited	1,388.05	1,498.79
Current Maturities of the Long Term Borrowings (refer note 5)		
- Term Loan(s) from HDFC Bank Limited	135.87	324.27
- Vehicle Loan(s) from HDFC Bank Limited	20.65	40.42
	3,227.90	3,357.73

Term Loans & Working capital facilities are from HDFC Bank Limited. The term loans are secured by hypothecation of first charge on land and building at Khasra No. 1106-1109, Revenue Village-Bhilwada, Lakhawali, Udaipur (Rajasthan) - 313011 and movable properties including machineries, current assets such as inventories, book debts and other receivables of the company, both present and future besides personal guarantee of the directors.

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

31 March 2026 31 March 2025

9 Trade Payables

(a) total outstanding dues of micro and small enterprises; and	493.15	176.78
(b) total outstanding dues of other than micro and small enterprises	2,341.06	4,434.04

2,834.21	4,610.82
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9.1 Trade Payables ageing schedule as at 31 March 2026

Particulars	Outstanding for following periods from due date of payment					Total Trade Payables
	Not due	< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and small enterprises	493.15	-	-	-	-	493.15
(ii) Others	1,762.82	552.01	0.60	25.63	-	2,341.06
(iii) Disputed dues- Micro and small enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	2,255.97	552.01	0.60	25.63	-	2,834.21

9.2 Trade Payables ageing schedule as at 31 March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and small enterprises	176.78	-	-	-	-	176.78
(ii) Others	3,404.88	1,003.53	25.63	-	-	4,434.04
(iii) Disputed dues- Micro and small enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	3,581.66	1,003.53	25.63	-	-	4,610.82

9.3 Details of Dues to Micro Enterprises and Small Enterprises

(i) The principal amount remaining unpaid to any supplier as at the end of the accounting year.	-	-
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond appointed day during the accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years. Until such date when the interest dues as above are actually paid to the small enterprise for the purpose of Disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company, regarding the status of registration of such vendor under the said Act, as per the intimation received from them on the request made by the company. Further, In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act, is not expected to be material.

10 Other current liabilities

Creditors for capital items	38.41	141.95
Advances from customers	284.42	343.28
Interest accrued but not yet due	1.05	3.24
Employee payables	102.37	99.38
Provision for income-tax	14.72	-
Provision for expenses	70.65	84.84
Provision for Bonus	85.45	77.96
Statutory dues		
PF Payable	5.52	7.53
ESIC Payable	0.49	1.23
TDS Payable	20.05	17.54
RCM Payable under IGST, CGST and SCGT	1.09	1.99
	624.22	778.94

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

11 Property, Plant and Equipment

31 March 2026

Particulars	Gross Block				Accumulated Depreciation/ Amortization				Net Block
	Balance as at 01 April 2025	Add:	Less:	Balance as at 31 March 2026	Balance as at 01 April 2025	Add:	Less:	Balance as at 31 March 2026	Balance as at 31 March 2026
		Additions during the year	Disposals during the year			Depreciation for the period	Depreciation on disposals for the period		
A Tangible assets									
Land	198.21	-	-	198.21	-	-	-	-	198.21
Buildings	2,250.85	103.89	-	2,354.74	398.61	72.12	-	470.73	1,884.01
Solar plants	820.83	-	-	820.83	266.36	51.99	-	318.35	502.48
Plant and machinery	6,200.58	186.32	(6.07)	6,380.83	2,708.58	423.78	(0.26)	3,132.10	3,248.73
Electrical installations	354.45	4.30	-	358.75	148.29	34.00	-	182.29	176.46
Furniture and fixtures	247.63	23.00	-	270.63	64.23	25.31	-	89.54	181.09
Office equipments	19.42	3.49	-	22.91	8.87	3.12	-	11.99	10.92
Lab equipments	1.17	0.90	-	2.07	0.80	0.16	-	0.96	1.11
Vehicles	389.73	-	-	389.73	159.10	45.87	-	204.97	184.76
Computers	36.41	1.60	-	38.01	22.59	7.10	-	29.69	8.32
Total Tangible assets (A)	10,519.28	323.50	(6.07)	10,836.71	3,777.43	663.45	(0.26)	4,440.62	6,396.09
B Intangible assets									
Softwares etc.	10.22	0.12	-	10.34	8.17	0.89	-	9.06	1.28
Total Intangible assets (B)	10.22	0.12	-	10.34	8.17	0.89	-	9.06	1.28
C Capital work-in-progress/ Intangible assets under development (ITAUD)*									
Buildings	57.37	-	(57.37)	-	-	-	-	-	-
Plant and Machinery	-	-	-	-	-	-	-	-	-
Total Capital work-in-progress (C)	57.37	-	(57.37)	-	-	-	-	-	-
D Total fixed assets (A+B+C)	10,586.87	323.62	(63.44)	10,847.05	3,785.60	664.34	(0.26)	4,449.68	6,397.37

Property, Plant and Equipment

31 March 2025

Particulars	Gross Block				Accumulated Depreciation/ Amortization				Net Block
	Balance as at 01 April 2024	Add:	Less:	Balance as at 31 March 2025	Balance as at 01 April 2024	Add:	Less:	Balance as at 31 March 2025	Balance as at 31 March 2025
		Additions during the year	Disposals during the year			Depreciation for the period	Depreciation on disposals for the period		
A Tangible assets									
Land	198.21	-	-	198.21	-	-	-	-	198.21
Buildings	1,960.49	290.36	-	2,250.85	336.75	61.86	-	398.61	1,852.24
Solar plants	820.83	-	-	820.83	214.37	51.99	-	266.36	554.47
Plant and machinery	5,432.03	779.01	(10.46)	6,200.58	2,303.57	410.36	(5.35)	2,708.58	3,492.00
Electrical installations	284.53	69.92	-	354.45	121.07	27.22	-	148.29	206.16
Furniture and fixtures	124.13	123.50	-	247.63	52.18	12.05	-	64.23	183.40
Office equipments	12.60	6.82	-	19.42	6.94	1.93	-	8.87	10.55
Lab equipments	1.17	-	-	1.17	0.69	0.11	-	0.80	0.37
Vehicles	389.73	-	-	389.73	112.82	46.28	-	159.10	230.63
Computers	30.39	6.02	-	36.41	16.66	5.93	-	22.59	13.82
Total Tangible assets (A)	9,254.11	1,275.63	(10.46)	10,519.28	3,165.05	617.73	(5.35)	3,777.43	6,741.85
B Intangible assets									
Softwares etc.	10.22	-	-	10.22	5.09	3.08	-	8.17	2.05
Total Intangible assets (B)	10.22	-	-	10.22	5.09	3.08	-	8.17	2.05
C Capital work-in-progress/ Intangible assets under development (ITAUD)*									
Buildings	85.88	57.37	(85.88)	57.37	-	-	-	-	57.37
Plant and Machinery	245.45	-	(245.45)	-	-	-	-	-	-
Total Capital work-in-progress (C)	331.33	57.37	(331.33)	57.37	-	-	-	-	57.37
D Total fixed assets (A+B+C)	9,595.66	1,333.00	(341.79)	10,586.87	3,170.14	620.81	(5.35)	3,785.60	6,801.27

*All Capital work-in-progress/ Intangible assets under development (ITAUD) are for a period of less than 1 year and projects in progress.

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

31 March 2026 31 March 2025

12 Non-current investments

Investment in equity shares of subsidiaries

Addwaya Chemicals Private Limited (51% Shareholding) - refer note 40 (76,500 equity shares of face value of Rs. 10/- each)	-	7.65
Haique Stones Private Limited (100% Shareholding)* (6,550 equity shares of face value of Rs. 100/- each)	1,901.21	1,901.21
Haique Stones INC., USA (100% Shareholding) (10,000 equity shares of face value of USD 1/- each)	8.19	8.19

1,909.40	1,917.05
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13 Long-term loans and advances

Unsecured and considered good

Security deposit with sales-tax department (NSC)	0.30	0.30
Security deposit with Ajmer Vidyut Vitran Nigam Limited (AVVNL)	68.87	62.24
Security deposit with CDSL	0.90	0.90
Security deposit with NSDL	0.45	0.45
Security deposit against solar plants	13.98	13.98
Security deposit against Import Bond with US-Customs	44.88	-
Security deposit against rental properties	1.35	2.35
Loans to subsidiary(ies)	1,242.00	2,252.95
Loans to erstwhile subsidiary (refer note 40)	516.50	-

Advances against capital expenditure	270.88	295.40
Less: Provision for doubtful advances	(228.09)	(76.03)
	42.79	219.37

1,932.02	2,552.54
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14 Inventories

Lower of cost or net realisable value

Raw material	512.97	717.17
Consumables	86.48	125.85
Packing material	43.93	37.19
Traded goods	353.93	100.85
Finished goods	1,955.00	2,989.12
Finished goods (in transit)	524.48	439.97

3,476.79	4,410.15
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Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

31 March 2026 31 March 2025

15 Trade receivables

Unsecured and considered good

Receivables outstanding for a period exceeding six months

709.77 686.28

Other receivables

4,387.41 4,176.54

5,097.18 4,862.82

Unsecured and considered doubtful

Receivables outstanding for a period exceeding six months

75.46 66.38

Other receivables

- -

Less: Provision for doubtful debts

(75.46) (62.39)

- 3.99

5,097.18 4,866.81

15.1 Trade Receivables ageing schedule as at 31 March 2026

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	3,040.83	1,348.36	202.95	257.49	132.95	43.30	5,025.88
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	0.80	74.66	75.46
(iii) Disputed trade receivables considered good	-	-	-	-	-	71.30	71.30
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-	-
Total	3,040.83	1,348.36	202.95	257.49	133.75	189.26	5,172.64
Less: Provision for doubtful debts	-	-	-	-	-	-	(75.46)
Total	3,040.83	1,348.36	202.95	257.49	133.75	189.26	5,097.18

15.2 Trade Receivables ageing schedule as at 31 March 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	2,959.46	1,217.08	239.41	183.28	192.29	0.00	4,791.53
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	1.50	12.94	51.93	66.37
(iii) Disputed trade receivables considered good	-	-	-	-	31.51	39.79	71.30
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-	-
Total	2,959.46	1,217.08	239.41	184.78	236.74	91.72	4,929.20
Less: Provision for doubtful debts	-	-	-	-	-	-	(62.39)
Total	2,959.46	1,217.08	239.41	184.78	236.74	91.72	4,866.81

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

	31 March 2026	31 March 2025
16 Cash and bank balances		
(a) Cash and cash equivalents		
Cash-in-hand	12.33	12.90
Balance with banks in current accounts	1.00	1.00
	<u>13.33</u>	<u>13.90</u>
(b) Other bank balances		
Deposits with maturity more than 3 months but less than 12 months (including fixed deposits marked as lien)	195.75	201.51
	<u>195.75</u>	<u>201.51</u>
	<u>209.08</u>	<u>215.41</u>
17 Short-term loans and advances		
<i>Unsecured and considered good</i>		
Advances to vendors	105.65	126.45
Income-tax refund receivable	99.44	28.64
Input tax credit receivable (IGST, CGST, SGST)	134.36	252.56
GST demand paid under protest	43.67	31.50
IGST refund receivable	154.41	376.76
Export benefits receivable	303.58	312.98
Employee and other advances	15.99	4.11
Insurance claims receivable	-	30.99
Prepaid expenses	19.89	13.16
	<u>876.99</u>	<u>1,177.15</u>
18 Other current assets		
Interest accrued on fixed deposits	26.75	13.60
Interest & other accruals on advances and guarantee	46.49	183.58
	<u>73.24</u>	<u>197.18</u>

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

	For the Year ended 31 March 2026	For the Year ended 31 March 2025
19 Revenue from operations		
(a) Sale of products		
Finished goods	12,513.51	18,985.56
(b) Other operating revenue		
Incentives on export sales	90.08	297.68
	12,603.59	19,283.24
20 Other income		
Interest earned on fixed deposits	18.06	18.16
Interest & other income earned on advances and guarantee	241.72	268.10
Interest on income-tax refund	1.76	0.14
Foreign exchange difference (net)	388.12	241.61
Profit on sale of fixed assets	0.69	-
Balances written back	0.99	2.92
Other income	83.89	101.35
	735.23	632.28
21 Cost of material consumed		
Opening stock of raw material	717.17	519.37
Add: Purchases during the period	5,664.20	10,365.67
Less: Closing stock of raw material	(512.97)	(717.17)
	5,868.40	10,167.87
Consumption during the year*		
*Breakup of material consumed		
Polyster Resin	3,041.78	5,218.67
Quartz Grit and Powder	2,050.24	3,339.48
Titanium-di-oxide	412.43	909.37
Others	363.95	700.35
	5,868.40	10,167.87
22 Purchase of traded goods		
Quartz surfaces and other miscellenous items	1,686.43	1,532.39
	1,686.43	1,532.39
23 Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Finished goods - Quartz slabs		
Opening Stock	3,429.09	3,051.32
Less: Closing Stock	(2,479.48)	(3,429.09)
Changes in inventories of finished goods	949.61	(377.77)
Traded goods		
Opening Stock	100.85	62.90
Less: Closing Stock	(353.93)	(100.85)
Changes in inventories of traded goods	(253.08)	(37.95)
Total	696.53	(415.72)
24 Employee benefit expenses		
Salaries and wages	1,106.54	1,539.97
Director's Remuneration	85.20	69.25
Bonus, Incentives etc.	78.71	82.54
Contribution to provident fund and others	40.19	43.25
Gratuity	23.15	24.36
Staff welfare expenses	119.18	116.90
	1,452.97	1,876.27

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

	For the Year ended 31 March 2026	For the Year ended 31 March 2025
25 Finance expenses		
Interest on term loans	24.87	82.32
Interest on working capital loans	272.79	194.99
Interest on vehicle and other loans	3.42	7.15
Interest/ Fees on delayed payment of government taxes	2.61	0.32
Bank commission and charges	30.77	5.81
	334.46	290.59
26 Other expenses		
Manufacturing expenses		
Consumables, Stores and Spare parts consumed	568.03	1,249.88
Primary packing material consumed	153.04	256.78
Power, fuel and utility charges	318.88	513.40
General plant expenses (manufacturing)	58.67	49.81
Slurry removal expenses	34.54	64.82
Job work charges	460.26	304.48
Repair and maintenance expenses		
- on plant and machinery	35.38	60.11
Selling and distribution expenses		
Secondary packing material consumed	268.16	373.08
Carriage outward/ FOB expenses	648.09	1,018.06
Exhibition and marketing expenses	131.58	245.52
Other selling expenses	59.02	48.94
Other administrative expenses		
Repair and maintenance expenses		
- on buildings	8.77	24.26
- on others	4.62	3.94
Travelling and accomodation expenses	182.19	208.45
Office and administrative expenses	61.09	64.16
Rent expenses	27.97	33.97
Vehicle running and maintenance expenses	41.33	48.96
Security expenses	16.16	15.60
Printing and stationery	2.95	5.15
Membership, subscriptions Etc.	0.58	0.73
Insurance expenses	21.48	27.83
Charity/ Donation expenses	2.58	2.98
Payment to auditors		
- for statutory audit	7.15	6.50
- for tax audit	-	-
- for others	2.75	4.00
Legal and professional expenses	57.08	24.00
Preliminary expenses amortized	-	-
Loss on sale of assets	-	-
Quality claims accepted on sold material	25.40	1.50
Provision for doubtful receivables	165.14	5.09
Bad debts	29.49	-
Miscellaneous expenses	6.73	3.15
Corporate Social Resposibility (CSR) expenses	19.72	28.76
	3,418.83	4,693.91

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

27 Contingent liabilities and commitments

	31 March 2026	31 March 2025
(a) Contingent Liabilities not provided for:		
Letter of credits outstanding	-	150.00
GST Related Matters for which company prefer appeal (refer note a1)	86.70	89.15
TDS Related Matters for which company has not provided any liability	0.84	0.82
Corporate guarantee for subsidiaries	-	5,150.00
Corporate guarantee for erstwhile subsidiary (refer note 40)	745.38	-

a1 The Company has received multiple orders from the Goods and Service Tax (SGST) Department for excess input-tax credit availed and/ or tax liability including interest and others. The Company has filed appeals in some cases and is in process of filing the appeal against other cases with the Honorable Appellate Authority. The management believes that basis of ground of appeals, and the chances of quashing the order are higher than confirmation of order by the Honorable Appellate Authority, accordingly, no liability has been provided.

a2 Effective December 2025, the Company exports certain shipments of quartz surface products to the United States of America being the Importer of Record for such exports. The quartz surface products from India in the USA are subject to antidumping duty (ADD) and countervailing duty (CVD) orders imposed by the U.S. Department of Commerce. The final liability in respect of such duties is subject to determination by the U.S. Department of Commerce through periodic administrative reviews, the outcome of which may result in additional liability or refund. Further, the Company ascertains its exposure in this regard at the close of each reporting period to identify and evaluate any contingent liabilities arising therefrom, in accordance with Accounting Standard. Based on such evaluation as at the balance sheet date, no material contingent liability has been identified / the matter has been disclosed as a contingent liability, amount unascertainable, in view of the uncertainty surrounding the outcome. Administrative review for ADD for the period 01 June 2024 to 31 May 2025 was initiated and is pending as at the balance sheet date. However, for CVD as at Balance Sheet Date no Administrative review is initiated or pending. The Company does not expect the outcome of the above matter to have a material adverse effect on its financial position.

(b) Commitments

The Company has imported plant and machinery under EPCG scheme without paying custom duty, as a consequences in the event that certain terms and conditions are not fulfilled, the company is committed to pay the consequential taxes, levies etc. The Company has issued required Bank Guarantee in favour of DGFT (Director General of Foreign Trade) against the same. The outstanding bank guarantee as on 31 March 2026 is INR 29.70 lakhs (31 March 2025 : INR 29.70 lakhs). The total export obligation against these licenses is USD 44,38,667 (31 March 2025 USD 44,38,667). The Company has completed obligations under some of the licenses and redemption is under process.

28 Related party transactions

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below

(a) List of related parties where control exists and related parties with whom transactions have taken place and relationships

Subsidiary Companies	1) Haique Stones Private Limited - Wholly Owned Subsidiary 2) Haique Stones Inc, USA - Wholly Owned Subsidiary 3) Addwaya Chemicals Private Limited - 51% subsidiary (upto September 30, 2025)
Directors	1) Pradeep Lunawath 2) Sunil Lunawath 3) Nitin Gattani 4) Sunil Gattani 5) Narendra Sharma 6) Neelam Tater
Director's relative	1) Tanushree Gattani, daughter-in-law of director Mr. Sunil Gattani 2) Sumeet Gattani, son of director Mr. Sunil Gattani 3) Saumya Gattani, daughter of director Mr. Nitin Gattani 4) Shubh Gattani, son of director Mr. Nitin Gattani 5) Siddhanth Lunawath son of director Mr. Pradeep Lunawath 6) Arnab Lunawath, son of director Mr. Sunil Lunawath
Key Managerial Personnel (KMP)	1) Prakash Manghani, CFO 2) Anjali Pandey, Company Secretary and Compliance Officer
Enterprises in which directors' are interested	1) Aravali Minerals and Chemicals Industries Private Limited 2) Rose Marble Private Limited 3) Mahaveer Trading Company 4) Gattani Resorts Private Limited 5) Pranav Marbles 6) Aravali Quartz 7) Rajasthan Packaging Company Private Limited 8) Addwaya Chemicals Private Limited (Erstwhile Subsidiary upto September 30, 2025) 9) K K Enterprises

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

28 Related party transactions (continued)

(b) Transactions during the year with related parties

Sr	Type of transaction	Name of related party	For the Year ended 31 March 2026	For the Year ended 31 March 2025
1	Sale of goods or services	Haique Stones Private Limited	41.33	21.63
		Haique Stones Inc, USA	6,152.66	9,556.30
		Addwaya Chemicals Private Limited	-	1.68
		Aravali Quartz	19.20	19.20
		Gattani Resorts Private Limited	0.71	0.42
		Pradeep Lunawath	-	1.56
		Rose Marble Private Limited	3.26	0.40
2	Sale of fixed assets	Rose Marble Private Limited	-	5.12
3	Purchase of goods or services	Haique Stones Private Limited	354.80	202.79
		Addwaya Chemicals Private Limited	14.31	3,914.14
		Aravali Minerals and Chemicals Industries Private Limited	64.31	2.65
		Aravali Quartz	-	4.20
		Gattani Resorts Private Limited	2.55	2.47
		Pranav Marbles	290.32	907.08
		Rajasthan Packing Company Private Limited	-	0.90
		Rose Marble Private Limited	6.73	10.12
		Mahaveer Trading Company	3.01	-
		K K Enterprises	83.51	-
4	Purchase of fixed assets	Aravali Minerals and Chemicals Industries Private Limited	-	1.25
		Rose Marble Private Limited	-	7.82
		Haique Stones Private Limited	0.20	-
5	Remuneration	Sunil Lunawath	31.92	24.50
		Nitin Gattani	31.92	24.50
		Pradeep Lunawath	21.36	20.25
		Prakash Manghani	30.66	28.67
		Anjali Pandey	3.90	3.90
		Arnav Lunawath	-	17.60
		Saumya Gattani	-	9.60
		Shubh Gattani	29.14	19.50
		Siddhanth Lunawath	32.47	32.10
		Sumit Gattani	19.33	17.10
		Tanushree Gattani	9.72	9.31
6	Loans granted	Haique Stones Private Limited	100.00	776.00
7	Loans received back	Haique Stones Private Limited	594.45	-
8	Interest earned	Haique Stones Private Limited	167.22	152.54
		Addwaya Chemicals Private Limited	51.65	51.44
9	Fees for corporate guarantee	Haique Stones Private Limited	0.75	15.68
		Addwaya Chemicals Private Limited	22.09	48.43
10	Investments	Haique Stones Private Limited	-	1,900.21
11	Sale of shares of subsidiary	Seema Banthia	45.03	-
12	Sitting fees to directors	Narendra Sharma	0.38	0.93
		Neelam Tated	0.55	0.90
		Sunil Gattani	0.53	0.72
13	Reimbursement of expenses	Rose Marble Private Limited	-	0.11
		Addwaya Chemicals Private Limited	0.53	-
		Haique Stones Private Limited	0.08	-

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

28 Related party transactions (continued)

(c) Balances at year-end

Trade receivables

	31 March 2026	31 March 2025
Haique Stones Private Limited	-	3.85
Addwaya Chemicals Private Limited	7.46	24.00
Haique Stones Inc., USA	2,847.10	1,685.65
Gattani Resorts Private Limited	-	0.50
Pradeep Lunawath	-	1.84
Rajasthan Packaging Company Private Limited	-	0.30
Rose Marbles Private Limited	-	0.47
Aravali Quartz	5.57	85.78

Trade payables

Haique Stones Private Limited	30.53	79.83
Addwaya Chemicals Private Limited	-	1,684.10
Mahaveer Trading Company	0.48	0.18
Gattani Resorts Private Limited	0.56	-
Pranav Marbles	88.81	342.16
Rose Marbles Private Limited	0.75	-
K K Enterprises	30.83	-

Others - (Payable)/ Receivable

Haique Stones Private Limited	-	6.95
Siddhanth Lunawath	-	-
Mahaveer Trading Company	-	0.09

Loans and advances (in nature of loan)

Haique Stones Private Limited	1,242.00	1,736.45
% of the total loans and advances in the nature of loans	71%	77%
Addwaya Chemicals Private Limited	516.50	516.50
% of the total loans and advances in the nature of loans	29%	23%

Interest receivable

Haique Stones Private Limited	-	137.28
Addwaya Chemicals Private Limited	46.49	46.30

Corporate Guarantee given on behalf of subsidiaries

Haique Stones Private Limited	-	500.00
Addwaya Chemicals Private Limited (refer note 40)	-	4,650.00

Corporate Guarantee given on behalf of erstwhile subsidiary

Addwaya Chemicals Private Limited (refer note 40)	745.38	-
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29 Earning per share

	31 March 2026	31 March 2025
Profit attributable to the equity shareholders (A)*	(481.07)	836.19
Number of equity shares at the beginning of the period	21,945,200	16,150,000
Add: Shares issued through public issue on 31 July 2024	-	5,795,200
Weighted average number of equity shares (after bonus issue)	21,945,200	20,008,174
Basic and diluted earning per share (C = A/B)	(2.19)	4.18

30 Operating leases

The company has operating leases for land and residential premises for its staff, these are renewable on a periodic basis and are cancellable by giving a notice period ranging from 1 month to 6 months.

The Company has recognised expenses in current year ₹ 27.97 lakhs (PY: ₹ 33.97 lakhs) against these leases. Since these leases are for a short-term, no further disclosures are required.

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

31 Foreign currency exposure

(a) Payables in foreign currency

	In Foreign currency		In Indian Rupees lakhs (₹)	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Unhedged - USD	USD 10,476	USD 11,610.00	9.93	9.92
Total			9.93	9.92

(b) Receivables in foreign currency

	In Foreign currency		In Indian Rupees lakhs (₹)	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Unhedged - USD	USD 2,994,927	USD 3,620,074	2,840.24	3,094.26
Hedged - USD	USD 400,000	USD 0	379.34	-
Total	USD 3,394,927	USD 3,620,074	3,219.58	3,094.26

	In Foreign currency		In Indian Rupees lakhs (₹)	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Unhedged - AED	AED 0	AED 88,268	-	20.54
Hedged - AED	-	-	-	-
Total	AED 0	AED 88,268	-	20.54

32 Other disclosures

a) Value of imports calculated on C.I.F basis in respect of:

	31 March 2026	31 March 2025
Raw materials/ trading goods	19.17	65.51
Consumables	11.92	125.54
Plant and machineries	115.21	182.95

b) Earning in foreign currency:

	31 March 2026	31 March 2025
Revenue from sales of goods on FOB basis	9,388.69	15,486.50
Revenue from export of services	16.32	15.39

c) Expenditure in foreign currency:

	31 March 2026	31 March 2025
Against collateral deposit for Continous Bond with US-Customs	44.96	-

- 33** The Company's export sales are mainly on FOB basis and hence revenue is recognized based on date of Bill of Lading. As at 31 March 2026, for dispatches accumulating INR 615.42 lakhs, the Bill of Lading were dated post 31st March 2026, accordingly same is not recognized as revenue for the year ended 31 March 2026. Similarly, for the year ended 31 March 2025, the value of such dispatches were INR 482.16 lakhs which is recognized as revenue in current period.

Further, during the current year for certain export shipments the Company had to invoice for local transportation and other FOB expenses seperately to the customers, the company has recognized revenue on accrual basis against these shipments in the current financial year including the amount of INR 332.37 Lakhs which will be invoiced subsequently in the next financial year by the Company.

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

34 Analytical ratios

	Ratios	Numerator	Denominator	31 March 2026	31 March 2025	Variance#
(a)	Current Ratio(Times)	Current Assets (As per Balance Sheet)	Current Liabilities (As per Balance Sheet)	1.46	1.24	17%
(b)	Debt Equity Ratio(Times)	Total Borrowings (As per Balance Sheet)	Shareholders' Equity (As per Balance Sheet)	0.33	0.28	16%
(c)	Debt Service Coverage Ratio (Times)	Earnings available for debt service (i.e. Net Profit/ (loss) Before Tax + Depreciation + Interest Expenses)	Debt Service (i.e. Interest Expenses + Principal repayments)	0.32	1.79	-82%
(d)	Return on Equity Ratio(%)	Net profit/ (loss) after taxes (As per Statement of Profit and Loss)	Average Shareholders Equity (As per Balance Sheet)	-3.86%	8.36%	-146%
(e)	Inventory Turnover Ratio(Times)	Revenue from operations (As per Statement of Profit and Loss)	Average Inventory (As per Balance Sheet)	3.20	4.71	-32%
(f)	Trade Receivables Turnover Ratio(times)	Revenue from operations (As per Statement of Profit and Loss)	Average Trade Receivables (As per Balance Sheet)	2.53	5.09	-50%
(g)	Trade Payables Turnover Ratio (Times)	Total Purchases (i.e. all operating expenses less non-cash expenses)	Average Trade Payables (As per Balance Sheet)	2.86	4.27	-33%
(h)	Net Capital Turnover Ratio(Times)	Net Sales (Revenue from Operations) (As per Statement of Profit and Loss)	Average Working Capital (Working Capital means Current Assets less Current Liabilities)	4.88	16.69	-71%
(i)	Net Profit Ratio(%)	Net Profit (As per Statement of Profit and Loss)	Net Sales (Revenue from Operations) (As per Statement of Profit and Loss)	-3.82%	4.34%	-188%
(j)	Return on Capital employed(%)	Earning before Interest and Tax (EBIT) (i.e. Net Profit Before Tax + Finance Expenses)	Capital Employed (i.e. Shareholders' Equity + Deferred Tax Liability + Total Debt)	-2.73%	8.64%	-132%

34.1 #Explanation for change in the ratios by more than 25%:

- (c) The Debt Service Coverage Ratio has decreased significantly due to low operating profit during current year.
- (d) The Return on Equity is negative during current year and has decreased drastically as Company has net loss after tax for the current year. Also the equity base for current year was higher as Company had issued shares in previous year.
- (e) The Inventory Turnover Ratio has decreased as Company's revenue from operations has decreased but the average inventory has not reduced to that extent in the current year.
- (f) The Trade Receivable Turnover Ratio has decreased as Company's revenue from operations has decreased but the Company's sales were revived during the last quarter due to which the average trade receivable has not reduced that much.
- (g) The Trade Payable Turnover Ratio has decreased as Company's scale of operations has decreased resulting in lower purchases during the year but the Company's operations were revived during the last quarter due to which the average trade payables has not reduced that much.
- (h) The Net Capital Turnover Ratio is decreased as during the year as Company's revenue has reduced and average net working capital remains in line with previous year.
- (i) The Net Profit/ (loss) ratio is decreased as during the current year company has recorded loss as compare to profit last year.
- (j) The Return on Capital Employed is negative during current year and has decreased drastically as Company has negative EBIT for the current year. Also the equity base for current year was higher as Company had issued shares in previous year.

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

35 Disclosures as per amendments in Schedule III of Companies Act, 2013 with notification issued on 24th March 2021:

Information required against additional disclosures as per amendments in Schedule III of Companies Act, 2013 are as under:-

(a) Title deeds of Immovable Property not held in name of the Company (Para a(ii)(XIII)(Y)(i))

There are no immovable properties owned by the company whose title deeds are not held in its name.

(b) Revaluation of Property, Plant & Equipment (Para a(ii)(XIII)(Y)(ii))

During the year under review the company has not revalued its property, plant & Equipment (Including right of use assets).

(c) Loan & Advance made to promoters, directors, KMPs and other related parties (Para a(ii)(XIII)(Y)(iii))

The Company has not provided any loans and advance to the parties covered under this clause other than those disclosed under note number 28.

(d) Details of Benami property held (Para a(ii)(XIII)(Y)(vi))

No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(f) Willful Defaulter (Para a(ii)(XIII)(Y)(viii))

The company has not been declared as wilful defaulter by any bank or financial institutions or other lenders.

(g) Relationship with struck off Companies (Para a(ii)(XIII)(Y)(ix))

There are no transactions (Including Investment in Securities / Shares held by Struck off company & Other Outstanding balances) with companies struck off u/s 248 of the Companies Act 2013, or section 560 of the Companies At, 1956.

(h) Registration of charges and satisfaction with Registrar of Companies (Para a(ii)(XIII)(Y)(x))

There are no charges or satisfaction of charges which are yet to be registered with Registrar of Companies beyond the statutory period.

(i) Compliance with number of layers of companies (Para a(ii)(XIII)(Y)(xi))

The company has not made violation of requirements related to number of layers of companies as prescribed under clause 87 of Section 2 read with Companies (Restriction of number of Layers) Rules 2017.

(j) Compliance with approved Scheme(s) of Arrangements (Para a(ii)(XIII)(Y)(xiii))

Not applicable

(k) Utilization of Borrowed funds and share premium (Para a(ii)(XIII)(Y)(xiv))

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(l) Undisclosed Income (Para a(iii)(ix))

Company has not surrendered or disclosed any transaction which was not recorded in the books of accounts as income during the year in the tax assessment under the Income Tax Act.

(m) Details of Crypto Currency or Virtual Currency (Para a(iii)(xi))

The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

36 Disclosures related to employee benefits

The Company has classified various employee benefits as under:

A Defined contribution plans

i) Provident Fund

ii) Employer's Contribution to Employee State Insurance Corporation (ESIC)

The Provident fund and Pension scheme are operated by regional PF Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement schemes to fund the benefits.

The Company as recognised the following amounts in the Statement of Profit and Loss:

	31 March 2026	31 March 2025
Contribution to Provident fund	34.93	34.39
Contribution to Employee State Insurance Corporation (ESIC)	5.26	6.17

36 Disclosures related to employee benefits (continued)

B Retirement benefit plans

i) Gratuity based on actuarial valuations

I. Actuarial Assumptions

	31 March 2026 IALM (2012-14)	31 March 2025 IALM (2012-14)
Mortality		
Discount rate	7.25%	6.80%
Salary growth rate p.a.	7.00%	7.00%
Expected rate of return on planned assets	-	-
Withdrawal rates p.a.		
25 years and below	10.00%	10.00%
25 to 35 years	8.00%	8.00%
35 to 45 years	6.00%	6.00%
45 to 55 years	4.00%	4.00%
55 and above	2.00%	2.00%

II. Funded status of the plan

	31 March 2026	31 March 2025
Present value of unfunded obligations	96.67	73.52
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Unrecognised Past Service Cost	-	-
Net Liability (Asset)	96.67	73.52

III. Profit and loss for the period

	31 March 2026	31 March 2025
Present value of obligations at beginning of the year	-	-
Current service cost*	21.93	18.22
Interest on obligations	4.88	3.46
Expected return on plan assets	-	-
Net actuarial loss/(gain)	(17.11)	2.67
Recognised Past Service Cost-Vested	13.45	-
Recognised Past Service Cost-Unvested	-	-
Loss/(gain) on curtailments and settlement	-	-
Total included in 'Employee Benefit Expense'	23.15	24.35

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

36 Disclosures related to employee benefits (continued)

B Retirement benefit plans (continued)

IV. Reconciliation of defined benefit obligation	31 March 2026	31 March 2025
Opening Defined Benefit Obligation	73.52	49.17
Transfer in/(out) obligation	-	-
Current service cost	21.93	18.22
Interest cost	4.88	3.46
Actuarial loss (gain)	(17.11)	2.67
Past service cost*	13.45	-
Loss (gain) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefit paid from fund	-	-
Benefits paid by company	-	-
Closing Defined Benefit Obligation	96.67	73.52

*The Past Service Cost has been recognized due to the implementation of the Labour Codes resulting in a change in the definition of wages, refer note 36C

V. Reconciliation of net defined benefit liability	31 March 2026	31 March 2025
Net opening provision in books of accounts	73.52	49.17
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee Benefit Expenses as per III above	23.15	24.35
Benefits paid by the Company	-	-
Contributions to plan assets	-	-
Closing provision in books of accounts	96.67	73.52

C Impact of New Labour Codes

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed the same & there is no material impact of these changes and to the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India except an incremental amount of Rs. 13.45 Lakhs which has been recognized towards the provision for gratuity in the Statement of Profit and Loss for the year, in accordance with Accounting Standard (AS) 15 "Employee Benefits." Based on the assessment carried out, the Company does not expect any other material impact of the Labour Codes on its financial statements for year ended 31 March 2026. Further, the Company continues to monitor the "finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect (if any) on the basis of such developments as required.

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

37 Disclosures related to Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least two percent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

	31 March 2026	31 March 2025
a) Amount required to be spent by the Company during the period	21.01	29.31
b) Amount of expenditure incurred	19.72	28.76
c) Amount utilised from carried forward excess spent	1.29	0.55
d) Shortfall at the end of the period	-	-
e) Total of previous years shortfall	-	-
f) Reason for shortfall*	Not applicable	Not applicable
g) Nature of CSR activities		
(i) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	-	25.00
(ii) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	-	-
(iii) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts	-	-
(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	5.24	-
(v) rural development projects	14.48	3.76
	19.72	28.76
g) Details of related party transactions	None	None
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Not applicable	Not applicable

38 The Company is entitled to certain export incentives, including Duty Drawback and RoDTEP, under the Government's Export Policy. Such incentives are recognized on accrual basis in the period in which the related export sales, or the export incentive, accrue and become due.

During the current year, an amount of Rs. 77.93 Lakhs, pertaining to export incentives accrued in earlier years and considered no longer recoverable based on management's estimate, has been written off. The said amount has been netted off against export incentive income recognized during the current year.

39 The Company has been sanctioned, working capital limits in excess of Rs. 5 Crore from Bank/ Financial Institution on the basis of security of current assets etc., during the year, the company has submitted the statement of stock and book debts which are in agreement with books of accounts, except minor immaterial discrepancies.

Notes to standalone financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

40 Disposal of subsidiary during current reporting period:

(a) During the month of March 2025, one of subsidiary M/s Addwaya Chemicals Private Limited ('the erstwhile subsidiary') in which the Company was holding 51% shareholding has received direction for closure of the industry from the Regional Office of Rajasthan State Pollution Control Board, ('RSPCB'), District-Rajsamand, State-Rajasthan under Section 33(A) of the Water (Prevention and Control of Pollution) Act, 1974 and Section 31(A) of the Air (Prevention and Control of Pollution) Act, 1981, situated at Araj No. 1953/11, 2080/10 & 2082/11, Village-Rathujana Negdiya, Tehsil-Nathdwara, District Rajsamand, State-Rajasthan. Currently, the management of the erstwhile subsidiary is exploring possibilities for obtaining required statutory permission for re-commencing its manufacturing operations.

(b) On September 30, 2025 the company has disposed its entire holding of 51% in the said company for INR 120.87 lakhs based on its current valuation duly certified by the registered valuer, The Company has sold the said investment at current fair value. Accordingly, the net gain on disposal of subsidiary of INR 113.20 lakhs has been disclosed as an exceptional in statement of profit and loss for the year ended 31 March 2026.

(c) The Company had given Corporate Guarantee (CG) on behalf of Addwaya Chemicals Private Limited while it was subsidiary of the Company against the credit facilities availed from HDFC Bank Limited. The said CG is maintained as per the terms with HDFC Bank Limited. The outstanding exposure of credit facilities against which CG was given was INR 1,756 lakhs as on 30.09.2025, which was reduced to reduced to INR 745 lakhs as on 31.03.2026 and further reduced to INR 604 lakhs as on date of signing of the financial statements.

(d) The Company had also given loan of INR 516.50 lakhs to Addwaya Chemicals Private Limited while it was subsidiary of the Company, which is outstanding as on date, Based on its estimates and commitment, the management of the erstwhile subsidiary is confident of repaying this loan hence no adjustment to the books have been made in this regard.

41 Previous year's figures have been regrouped, rearranged and reclassified, wherever considered necessary, and are rounded off to nearest lakhs, in order to confirm to the current year's presentation.

As per our report attached

For A Bafna & Co

Chartered Accountants

Firm Reg. No. : 003660C

For and on behalf of Board of Directors of

Esprit Stones Limited

[Formerly known as Esprit Stones Private Limited]

CIN: U74999RJ2016PLC056284

SD/-

Vivek Gupta

Partner

Membership Number : 400543

SD/-

Sunil Lunawath

Managing Director

DIN : 01105117

SD/-

Nitin Gattani

Joint Managing Director

DIN: 00173258

Place : Udaipur

Date : 16 May 2026

SD/-

Prakash Manghani

CFO

SD/-

Anjali Pandey

Company Secretary

ICSI Membership Number : A45660

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

To
The Members of
Esprit Stones Limited
(Formerly Known as Esprit Stones Private Limited)

Opinion

We have audited the accompanying consolidated financial statements of **Esprit Stones Limited (Formerly known as Esprit Stones Private Limited)** ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit, the Consolidated Statement of Cash Flows for the year then ended and notes to the Consolidated Financial Statement, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026 and their consolidated Loss and its consolidated cash flows for the year ended.

Basis of Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

In our opinion and to the best of our information and according to the explanations given to us, these consolidated financial statement include the financial statement of the following entity:

Name of Company	Holding Percentage
Haique Stones Private Limited	100%
Haique Stones Inc, USA	100%
Addwaya Chemicals Private Limited (up to 30th September 2025)	51% (Refer Note No 38 regarding disposal off this investment & its accounting)

Emphasis of Matter

We draw attention to the Note no 38, regarding the matter that during the year under audit of the standalone financial statements, the Company has disposed off its entire equity stake (51%) in Addwaya Chemicals Private Limited for a consideration of Rs. 120.87 lakhs resulting in the cessation of its status as a subsidiary with effect from 30th September 2025. These shares were acquired by Mr. Pranav Banthia and Mrs. Seema Banthia. The resultant profit/loss arising from such disposal has been duly recognized and accounted in the standalone/ consolidated financial statements of the Company for the year.

Subsequent to the disposal of its controlling interest, the Company continues to provide a corporate guarantee to the bank in respect of the said company's bank credit facilities which amounting Rs. 742 Lakhs and continues to hold an inter-corporate loan balance of Rs. 516.50 lakhs and interest amount to Rs 46.49 Lakhs as on 31st March 2026 recoverable from Addwaya Chemicals Private Limited. The company has not made any provision against the said amount in view of the reasons stated in the said note regarding its expected recoverability as per the assessment of the company.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<u>The Key Audit Matter</u>	<u>How was the matter addressed in our audit</u>
<u>Revenue Recognition</u>	
Revenue is one of the key profit drivers. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures with regard to revenue recognition included testing controls, around dispatches/ deliveries, inventory reconciliations and substantive testing for cut-offs and analytical review procedures.

Information other than the Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon. These reports are expected to be made available to us after the date of this audit report.

Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Since these reports are expected to be made available to us after the date of this audit report hence currently, we have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as

applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company and its subsidiaries company has adequate internal financial control with reference to financial statement in place and operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the

planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2026 taken on record by the Boards of Directors of the Company and the reports of the statutory auditors of its subsidiaries companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure I" which is based on the auditors' reports of the Company and its subsidiaries company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Note 27 to the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 35(k) of the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b) The management has represented, that, to the best of its knowledge and belief, as disclosed in Note 35(k) of the Consolidated Financial Statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (A) and (B) above contain any material misstatement.
 - v. Based on our examination which included test checks, the company and subsidiaries have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and audit trail has been preserved by the company as per statutory requirements.

For A. Bafna & Co.
Chartered Accountants
FRN : 003660C

SD/-

(Vivek Gupta)
Partner
M. No. 400543
UDIN: 26400543QPVBE7593

Place: Jaipur
Date: 16th May 2026

Annexure I to the Independent Auditors' Report

Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Esprit Stones Limited (Formerly known as Esprit Stones Private Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2026, we have audited the internal financial controls over financial reporting **Esprit Stones Limited (Formerly known as Esprit Stones Private Limited)** ("the Company") and its subsidiaries company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company and its subsidiaries company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiaries company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiaries companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- 1) Pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiaries companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For A Bafna & Co
Chartered Accountants
FRN: 003660C

SD/-

(Vivek Gupta)
Partner
M.No. 400543
UDIN: 26400543QPVBE7593

Place: Jaipur
Date: 16th May 2026

Consolidated Balance Sheet

As at 31 March 2026

Currency : in Lakhs INR (₹)

Particulars	Note	31 March 2026	31 March 2025
A EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	2,194.52	2,194.52
Reserves and surplus	4	10,992.65	11,138.94
Minority Interest		-	189.31
Non-current liabilities			
Long-term borrowings	5	1,621.48	2,722.95
Deferred tax liabilities (net)	6	388.29	572.24
Long-term provisions	7	108.48	86.13
Current liabilities			
Short-term borrowings	8	3,511.73	7,096.83
Trade payables	9		
(a) total outstanding dues of micro and small enterprises; and		471.51	187.40
(b) total outstanding dues of other than micro and small enterprises		2,862.01	5,724.14
Other current liabilities	10	1,767.98	1,032.13
Short-term provisions	11	41.64	23.90
TOTAL		23,960.29	30,968.49
B ASSETS			
Non-current assets			
Property, Plant and Equipments and Intangible assets			
Property, Plant and Equipments	12	10,488.40	12,016.56
Intangible assets		3.59	6.93
Capital work-in-progress		65.68	57.37
Long-term loans and advances	13	964.96	474.24
Current assets			
Inventories	14	5,955.09	6,842.12
Trade receivables	15	5,196.85	9,367.33
Cash and bank balances	16	235.92	752.84
Short-term loans and advances	17	975.84	1,435.19
Other current assets	18	73.96	15.91
TOTAL		23,960.29	30,968.49
Significant accounting policies	2		
Notes to accounts	3 to 39		

The accompanying notes are integral part of these financial statements

As per our report attached
For **A Bafna & Co**
Chartered Accountants
Firm Reg. No. : 003660C

SD/-

Vivek Gupta
Partner
Membership Number : 400543

Place : Udaipur
Date : 16 May 2026

For and on behalf of Board of Directors of
Esprit Stones Limited
SP-1, Udyog Vihar Sukher Industrial Area, Udaipur
CIN: U74999RJ2016PLC056284

SD/-

Nitin Gattani
Director
DIN: 00173258

SD/-

Prakash Manghani
CFO

SD/-

Sunil Lunawath
Director
DIN : 01105117

SD/-

Anjali Pandey
Company Secretary
ICSI Membership Number : A45660

Consolidated Statement of Profit and Loss

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

Particulars	Note	For the Year ended 31 March 2026	For the Year ended 31 March 2025
1 Revenue from operations	19	17,252.90	32,148.08
2 Other income	20	343.49	249.92
3 Total revenue (1+2)		17,596.39	32,398.00
4 Expenses			
(a) Cost of materials consumed	21	7,039.56	17,991.13
(b) Purchases of stock-in-trade	22	1,558.35	1,849.76
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	489.33	(572.68)
(d) Employee benefits expenses	24	1,744.80	2,208.78
(e) Finance costs	25	491.64	799.25
(f) Depreciation and amortisation expenses	12	969.30	954.37
(g) Other expenses	26	5,847.88	6,959.06
Total expenses		18,140.86	30,189.67
5 Profit/ (Loss) before exceptional and extraordinary items and tax (3 - 4)		(544.47)	2,208.33
6 Exceptional items		52.49	-
7 Profit / (Loss) before extraordinary items and tax (5 ± 6)		(491.98)	2,208.33
8 Extraordinary items		-	-
9 Profit / (Loss) before tax (7 ± 8)		(491.98)	2,208.33
10 Tax expense:			
(a) Current tax expense for current year		80.24	372.66
(b) Deferred tax expenses		(183.94)	118.56
(c) Prior year(s)		(2.92)	(2.96)
12 Profit / (Loss) for the year		(385.36)	1,720.07
Profit and loss attributable to			
(i) Owners of the Company		(261.59)	1,566.39
(ii) Minority interest		(123.77)	153.68
Earning per equity share of face value of Rs. 10/-each			
Basic and diluted	30	(1.19)	7.83
Significant accounting policies	2		
Notes to accounts			

As per our report attached
For A Bafna & Co
Chartered Accountants
Firm Reg. No. : 003660C

For and on behalf of Board of Directors of
Esprit Stones Limited
SP-1, Udyog Vihar Sukher Industrial Area, Udaipur
CIN: U74999RJ2016PLC056284

SD/-
Vivek Gupta
Partner
Membership Number : 400543

SD/-
Nitin Gattani
Director
DIN: 00173258

SD/-
Sunil Lunawath
Director
DIN : 01105117

Place : Udaipur
Date : 16 May 2026

SD/-
Prakash Manghani
CFO

SD/-
Anjali Pandey
Company Secretary
ICSI Membership Number : A45660

Consolidated Cash Flow Statement

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

Particulars	For the Year ended 31 March 2026	For the Year ended 31 March 2025
A Cash flow from operating activities		
Profit/(Loss) before tax	(491.98)	2,208.33
Adjustments for:		
Depreciation and amortization expenses	969.30	954.37
Exceptional items being profit on disposal of subsidiary	(52.49)	-
Profit on sale of fixed assets	(0.69)	-
Finance cost	491.64	799.25
Interest income	(50.27)	(24.36)
Unrealised foreign currency translation gain/ loss	(197.37)	(8.35)
Provision for doubtful debts and advances	165.14	5.09
Bad debts	29.49	-
Operating profit before working capital changes	862.77	3,934.33
Changes in working capital and other provisions		
Increase in long-term provisions	22.35	31.21
Increase/ (Decrease) in trade payables	364.98	827.83
(Decrease)/ Increase in other current liabilities	966.55	-787.99
Increase in long-term loan and advances	(49.77)	-53.56
(Increase)/ Decrease in inventories	613.22	-706.80
(Increase) in trade receivables	(4.47)	-2,116.45
(Increase)/ Decrease in short-term loans and advances	417.63	143.37
Impact of foreign currency translation on working capital items	103.30	-13.34
Impact of disposal of subsidiary on working capital items	(1,989.80)	0.00
Cash generated from operations	1,306.76	1,258.60
Less: Income-tax paid (net)	(106.74)	(581.68)
Net cash flow from operating activities	(A) 1,200.02	676.92
B Cash flow from investing activities		
Purchase of fixed assets and changes in Capital work-in-progress	(604.45)	(1,292.53)
Proceeds from disposal of subsidiary	120.87	-
Investment in fixed deposits	(198.75)	(375.64)
Proceeds from maturity of fixed deposits	204.51	296.50
Interest Income	80.28	27.42
Net cash (used in) investing activities	(B) (397.54)	(1,344.25)
C Cash flow from financing activities		
Proceeds from issue of shares	-	5,035.42
Payment for Issue expenses	-	-492.25
Subsidy received from Government against IPO expenses	12.00	-
Proceeds/ (Repayment) of long-term loans from banks	817.86	-2,980.11
Proceeds/ (Repayment) of long-term loans from others	(661.85)	-270.32
Proceeds/ (Repayment) of short-term loans from banks	(816.69)	528.30
Interest expenses paid	(493.83)	-804.52
Net cash flow from/ (used in) financing activities	(C) (1,142.51)	1,016.52
D Net increase/ (decrease) in cash and cash equivalents	(340.03)	349.19
Add: Cash and cash equivalents at the beginning of the year	377.20	28.01
E Cash and cash equivalents at the end of the year	37.17	377.20

Note:

The above Cash flow Statement has been prepared using Indirect method of preparation of Cash flow statement as per AS-3

The accompanying notes are integral part of these financial statements

As per our report attached

For A Bafna & Co

Chartered Accountants

Firm Reg. No. : 003660C

SD/-

Vivek Gupta

Partner

Membership Number : 400543

Place : Udaipur

Date : 16 May 2026

For and on behalf of Board of Directors of

Esprit Stones Limited

SP-1, Udyog Vihar Sukher Industrial Area, Udaipur

CIN: U74999RJ2016PLC056284

SD/-

Nitin Gattani

Director

DIN: 00173258

SD/-

Prakash Manghani

CFO

SD/-

Sunil Lunawath

Director

DIN : 01105117

SD/-

Anjali Pandey

Company Secretary

ICSI Membership Number : A45660

Notes to consolidated financial statements

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

1 Background of the Company:

Esprit Stones Limited [Formerly known as Esprit Stones Private Limited] ('the Company') is a public limited company domiciled and incorporated in India under the Companies Act 2013 on 19 October 2016. The Company is public limited company with effect from 02 February 2024 vide the new CIN U74999RJ2016PLC056284. A fresh certificate of incorporation consequent to the conversion of private to public limited company was issued by the Registrar of Companies, Jaipur on 05 February 2024 under section 18 of the Companies Act, 2013 to give the effect of Esprit Stones Limited and its subsidiaries ('the Group' or 'the Esprit group') is primarily involved in engineered stones such as engineered quartz surfaces and engineered marble surfaces which is a luxurious substitute of natural marble and granite. Its export customers are in the USA, Canada and other countries. The Company market its engineered stones product in India under its brand "Haique". The Company's registered office is at SP-1, Udyog Vihar, Sukher Industrial Area, Udaipur, Rajasthan, India, 313004 and its manufacturing units are located at Udaipur, Salumber and Rajasamand in the state of Rajasthan.

The Company got itself listed on the SME platform of National Stock Exchange (NSE-Emerge) in the financial year 2024-25.

2 Material accounting policies

2.1 Preparation of Consolidated Financial Statements

I) Basis of Preparation of Consolidated Financial Statements

These consolidated financial statements are prepared under the historical cost convention on accrual basis to comply in all material aspects and in accordance with Indian Generally Accepted Accounting Principles (GAAP), which comprises of mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). The accounting policies have been consistently applied by the Company unless otherwise stated.

II) Principles and details of consolidation

The consolidated financial statements relate to Esprit Stones Private Limited ('the Company') and its subsidiary companies namely:

- (i) Haique Stones Private Limited (100% Wholly Owned Subsidiary)
- (ii) Addwaya Chemicals Private Limited (51% is held by the Company) upto 30 September 2025
- (iii) Haique Stones Inc. (100% Wholly Owned Subsidiary)

The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- b) The difference between the cost of investment in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiary is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- c) The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Profit and Loss Statement being the profit or loss on disposal of investment in subsidiary.
- d) Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- e) The Company accounts for its share of post-acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Profit and Loss Statement, to the extent such change is attributable to the associates' Profit and Loss Statement and through its reserves for the balance based on available information.
- f) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- g) The books of accounts of foreign subsidiaries are in US Dollars however for preparation of the financials in Indian Rupees (INR), Accounting Standard (AS) 11 - "The Effects of Changes in Foreign Exchange Rates" as issued by Institute of Chartered Accounts of India has been followed. Accordingly, translation is done as a) The items of income and expenditure are translated at Average exchange rate of INR 94.8350 per USD except Intra-group transactions. b) The assets and liabilities are translated at closing exchange rates. c) Intra-group transactions and balances are translated at the conversion rates being used by Foreign Companies to facilitate elimination for preparation of consolidated financial statements. The resulting exchange difference is accumulated in the Foreign Currency Translation Reserve and is shown under Reserves and Surplus.
- h) there were no material amounts which have been adjusted for, in arriving at profit / loss of the respective periods; and

III) Other material accounting policies

These are set out under "Material accounting Policies" as given in the Company's separate financial statements.

2.2 Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. The examples of such estimates include, the useful life of tangible and intangible fixed assets, allowances for doubtful debts / advances, future obligations in respect of retirement benefit plans etc. Actual results may differ from the estimates and assumptions and in such case, the difference is recognised in the period in which the results are known.

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

2.3 Revenue Recognition

- The Group recognises revenues on the sale of products, net of discounts, when the products are dispatched / delivered to the customer/ dealer or when delivered to the carrier for export sales, which is when risks and rewards of ownership pass to the customer/ dealer.
- Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.
- Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- Dividend income is recognized when the company's right to receive dividend is established.
- Export entitlements under the duty remission scheme are recognized as income on accrual basis

2.4 Recognition of Expenditure

Expenses are accounted for on an accrual basis and provision is made for all known losses and liabilities.

2.5 Property plant and equipments

- Tangible fixed assets are stated at cost less accumulated depreciation and impairment loss, if any.
- The cost of Fixed Asset comprises its purchase price including non-refundable taxes & duties and directly attributable cost of bringing the asset (including leasehold improvements) to its working condition for its intended use. Subsequent upgradation / enhancements which results in an increase in the future benefits from such assets, beyond the previously assessed standard of performance, are also capitalised. Machinery spares which can be used only in connection with an item of tangible assets and whose use is not regular nature are written off over the estimated useful life of relevant assets.
- All costs, including borrowing costs till commencement of commercial production, attributable to fixed assets are capitalized.
- The depreciation has been charged as per below useful life:

Asset Name	Useful life
Buildings	05 to 30 years
Solar plants	15 years
Plant and machinery	15 years
Electrical installations	10 years
Furniture and fixtures	10 years
Office equipments	5 years
Lab equipments	10 years
Vehicles	8 years
Computers	3 to 6 years

2.6 Intangible Assets and amortization

Intangible assets are stated at cost less accumulated amortization. Intangible assets are amortized on a straight line basis over their estimated useful life of 3 years

2.7 Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

2.8 Capital Work-in-Progress

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the balance sheet date.

2.9 Depreciation and amortization

(a) Owned assets

- Depreciation on fixed assets is provided on straight line method, at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. In case of plant and machinery used for double or triple shift, depreciation is increased to 150% and 200% of normal depreciation respectively.
- Significant components of assets having a life shorter than the main asset, if any is depreciated over the shorter life.

(b) Leased assets:

- Leasehold lands are amortised over the period of lease.
- Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period is beyond the life of the building.
- In other cases, buildings constructed on leasehold lands are amortized over the primary lease period of the lands.

2.10 Investments

Current investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are carried at lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost. However, provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

2.11 Inventories

Inventories are valued at the lower of cost and net realizable value. Obsolete, slow moving and defective inventories are identified at the time of physical verification and necessary provision is made for such inventories. The cost is determined using the weighted average cost method for all categories of inventories. Cost includes in case of Raw materials, Stores & spares, Packing material and consumables the purchase price and attributable direct cost less discounts. In case of Work-in-Progress and finished goods cost includes direct labour, material costs and production overheads

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

2.12 Foreign Currency Transactions

- (a) Transactions denominated in foreign currencies are normally recorded on the initial recognition in the reported currency using the exchange rates prevailing on the date of transaction.
- (b) Monetary assets & liabilities denominated in foreign currencies are restated at the appropriate rates of exchange prevailing on the date of Balance Sheet. Resultant gain or loss is accounted in the period in which they arise
- (c) Any income or expense on account of exchange difference either on settlement or on translation of monetary items are recognized in the Statement of Profit and Loss for the period in which they arise
- (d) In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognized as income or expense along with the exchange differences on the underlying assets / liabilities. Further, in case of other contracts with committed exchange rates, the underlying is accounted at the rate so committed. Profit or loss on cancellations / renewals of forward contracts is recognized during the year. In case of option contracts, the losses are accounted on mark to market basis.

2.13 Earning Per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.14 Borrowing Cost

Interest and other borrowing costs attributable to qualifying assets are capitalized. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over 12 months) to get ready for its intended use or sale. Other interest and borrowing costs are charged to statement of Profit & Loss.

2.15 Employee Benefits

(a) Short Term Employee Benefits:

All employee benefits payable wholly within 12 months of rendering service are classified as short term employee benefit. Benefits such as Salaries, Wages, performance incentives, expected cost of bonus, exgratia are recognised during the period in which employee renders related service.

(b) Post-employment Benefits:

Defined contribution plans: Group's contribution paid / payable during the year to employees state insurance scheme, Provident Fund and Labour welfare fund are recognised during the period.

Defined benefit plans: For defined benefit schemes in the form of gratuity, the cost of providing benefits is determined using the Project Unit Credit Method, with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discounting rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date, having maturity periods approximately to the terms of related obligations.

Actuarial gains/losses are recognised in full in the statement of profit and loss, for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligations recognised in the balance sheet represents that present value of the defined benefit obligation as adjusted for unrecognised past service cost

(c) Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred.

2.16 Leases

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. The Group as a lessee:

- (i) Operating lease: Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease.
- (ii) Finance leases: Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income over the period of the lease.

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

2.17 Provisions, Contingent Liabilities, Contingent Assets and commitments

(a) Provisions:

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

(b) Contingent Liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(c) Contingent Assets:

Contingent Assets are neither recognised nor disclosed in the financial statements

(d) Commitments:

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets

2.18 Accounting for Taxes on Income

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income-tax Act, 1961 and Delaware and US Federal for foreign subsidiaries.

(b) Deferred Tax

Deferred tax assets and liabilities are recognised by computing the tax effect on timing differences which arise during the year and reverse in the subsequent periods. Deferred tax assets against unabsorbed depreciation and carried forward loss under tax laws, are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets on other timing differences are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(c) Current and Deferred tax is measured based on the provisions of tax laws and tax rates enacted or substantively enacted as at the Balance Sheet date.

2.19 Segment reporting

Each of the reportable segments derives its revenues from the main products and hence these have been identified as reportable segments by the management of the group. Segment revenue, result, assets and liabilities include the respective amounts identifiable to each of the segments and amount allocated on a reasonable basis. Unallocated expenditure consists of common expenditure incurred for all the segments and expenses incurred at corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and unallocated corporate liabilities respectively.

2.20 Government Grants

The Group has received government grants related to revenue expenses, which are deducted from related revenue expenses for the year.

2.21 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks

Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

31 March 2026 31 March 2025

3 Equity Share Capital

(a) Authorised share capital		
2,50,00,000 equity shares of ₹ 10 each	2,500.00	2,500.00
(As at 31 March 2025: 2,50,00,000 equity shares of ₹ 10 each)		
(b) Issued, subscribed and paid up share capital		
2,19,45,200 equity shares of ₹ 10 each	2,194.52	2,194.52
(As at 31 March 2025: 2,19,45,200 equity shares of ₹ 10 each)		
	2,194.52	2,194.52

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Equity Shares	31 March 2026		31 March 2025	
	No of shares	Amount	No of shares	Amount
At the beginning of the year	21,945,200	7,410.20	16,150,000	1,615.00
Add: Shares through Initial Public Offer (refer note 'k' below)	-	-	5,795,200	5,795.20
At the end of the year	21,945,200	7,410.20	21,945,200	7,410.20

(d) The company has only one class of shares referred to as equity shares having at par value Rs. 10/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the ordinary shareholders are entitled to receive the remaining assets of the company after payment of all preferential amounts, in proportion to their shareholdings.

(e) The Company does not have any Holding Company/ Ultimate Holding Company.

(f) No Ordinary Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestments as at the Balance Sheet date.

(g) No Shares have been bought back by the company during the period of 5 years preceeding the date as at which the Balance Sheet is prepared.

(h) No Securities converted into Equity/preference Shares have been issued by the Company during the year.

(i) No Calls are unpaid by any Director or Officer of the Company during the year.

(j) Further there are no shares that have been allotted by the Company without payment being received in cash, or by way of bonus shares as on Balance Sheet date except as disclosed in note (c) above.

(k) During the financial year ended March 31, 2025, Company has completed an initial public offerings (IPO) of 57,95,200 equity shares of face value Rs. 10/- at an issue price of Rs. 87/- per share (including equity shares of 1,28,000 with a face value of Rs. 10/- each at an issue price of Rs. 82/- per share under employee reservation) which comprises of fresh equity issue of 57,95,200 shares aggregating to Rs. 5035.42 lakhs. Further, against the expenses related to IPO, Rs. 493.81 was debited against Securities Premium Account as per Section 52 of Companies Act, 2013. Pursuant to the IPO, the equity shares of company have got listed on the SME Platform of National Stock Exchange "(NSE-Emerge)" on August 02, 2024.

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

(l) Details of shares held by each shareholder holding more than 5% shares:

	31 March 2026		31 March 2025	
	No of shares	% Holding	No of shares	% Holding
Nitin Gattani	4,539,000	20.68%	4,539,000	20.68%
Sangeeta Gattani	2,809,250	12.80%	2,809,250	12.80%
Sunil Lunawath	2,210,000	10.07%	2,210,000	10.07%
Mangilal Lunawath	1,398,590	6.37%	1,398,590	6.37%
Pradeep Lunawath	1,400,205	6.38%	1,400,205	6.38%
Sayar Kumari Lunawath	1,292,000	5.89%	1,292,000	5.89%
Vijay Shree Lunawath	1,292,000	5.89%	1,292,000	5.89%
Total	14,941,045	68.08%	14,941,045	68.08%

(m) Details of shares held by promoters at the end of the period

	31 March 2026		
	Number of shares	% of total shares	% change during the period
Pradeep Lunawath	1,400,205	6.38%	0.00%
Sunil Lunawath	2,210,000	10.07%	0.00%
Nitin Gattani	4,539,000	20.68%	0.00%
Anushree Lunawath	482,205	2.20%	0.00%
Sangeeta Gattani	2,809,250	12.80%	0.00%
Total	11,440,660	52.13%	0.00%

	31 March 2025		
	Number of shares	% of total shares	% change during the period
Pradeep Lunawath	1,400,205	6.38%	-2.29%
Sunil Lunawath	2,210,000	10.07%	-3.61%
Nitin Gattani	4,539,000	20.68%	-7.42%
Anushree Lunawath	482,205	2.20%	-0.79%
Sangeeta Gattani	2,809,250	12.80%	-4.59%
Total	11,440,660	52.13%	-18.71%

4 Reserves and surplus

	31 March 2026	31 March 2025
(a) Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	7,203.80	5,637.41
Add: Profit (Loss) for the year	(261.59)	1,566.39
Balance at the end of the year	6,942.21	7,203.80
(b) Securities Premium		
Balance at the beginning of the year	3,962.09	-
(a) Add: Proceeds from the issues of shares through IPO during the year [refer note 3(k)]	-	4,455.90
(b) Less: Utilised during the year	-	(493.81)
(c) Add: Subsidy received against IPO expenses, net	12.00	-
Balance at the end of the year	3,974.09	3,962.09
(c) Other reserves		
Foreign currency translation reserve		
Balance at the beginning of the year	(26.95)	(13.61)
Add: Additions during the year	103.30	(13.34)
Balance at the end of the year	76.35	(26.95)
Total	10,992.65	11,138.94

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

	31 March 2026	31 March 2025
5 Long-term borrowings		
(a) Term Loans		
Term loan(s) from HDFC Bank Limited	878.10	996.22
	<u>878.10</u>	<u>996.22</u>
Less: Current maturities under "Short-term borrowings" (refer note 9)		
Term loan(s) from HDFC Bank Limited	(135.87)	(395.00)
	<u>(135.87)</u>	<u>(395.00)</u>
Non-current maturities of Secured Loans	<u>742.23</u>	<u>601.22</u>
(b) Finance Lease Obligations		
Vehicle loan(s) from HDFC Bank Limited	36.29	79.33
Less: Current maturities under "Other current liabilities" (refer note 9)		
Vehicle loan from HDFC Bank Limited	(23.76)	(43.29)
Non-current maturities of finance lease obligations	<u>12.53</u>	<u>36.04</u>
(c) Unsecured loans		
From related parties	866.72	2,085.69
Non-current maturities of Unsecured loans	<u>866.72</u>	<u>2,085.69</u>
	<u>1,621.48</u>	<u>2,722.95</u>
5.1 The term loans are secured by hypothecation of first charge on all immovable and movable properties including machineries, current assets such as inventories, book debts and other receivables of the company, both present and future besides personal properties of some of the directors and guarantee of the Directors.		
5.2 Finance Lease Obligations:		
Finance lease obligations are repayable in equated monthly instalments. The assets acquired on finance lease mainly comprise vehicles. The lease has a primary period, which is fixed and non-cancellable. Finance leases are secured by hypothecation of respective assets purchased out of finance, and personal guarantee of some of the Director.		
6 Deferred tax liabilities (net)		
Deferred tax liabilities:		
On excess of WDV of fixed assets in books in comparison to WDV in Income-tax Act, 1961	664.06	650.90
	<u>664.06</u>	<u>650.90</u>
Deferred tax assets:		
On provision for doubtful debts	(76.40)	(34.84)
On unabsorbed depreciation under Income-tax Act, 1961	(148.60)	-
On expenses allowable under Income-tax Act, 1961 on payment basis	(50.77)	(43.82)
	<u>(275.77)</u>	<u>(78.66)</u>
	<u>388.29</u>	<u>572.24</u>
7 Long-term provisions		
Provision for employee benefits - Gratuity	108.48	86.13
	<u>108.48</u>	<u>86.13</u>
8 Short-term borrowings		
(a) Working Capital Loans		
Cash Credit from HDFC Bank Limited	1,683.33	4,511.48
Cash Credit from ICICI Bank Limited	280.72	493.07
Packing Credit Loan from HDFC Bank Limited	1,388.05	1,498.79
Others	-	155.20
Current Maturities of the Long Term Borrowings (refer note 5)		
- Term Loan(s) from HDFC Bank Limited	135.87	395.00
- Vehicle loan(s) from HDFC Bank Limited	23.76	43.29
	<u>3,511.73</u>	<u>7,096.83</u>

Term Loans & Working capital facilities are secured by hypothecation of first charge on all immovable and movable properties including machineries, current assets such as inventories, book debts and other receivables of the company, both present and future besides personal properties of some of the directors and guarantee of the Directors.

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

31 March 2026 31 March 2025

9 Trade Payables

(a) total outstanding dues of micro and small enterprises; and	471.51	187.40
(b) total outstanding dues of other than micro and small enterprises	2,862.01	5,724.14
	3,333.52	5,911.54

9.1 Trade Payables ageing schedule as at 31 March 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	< 1 year	1-2 years	2-3 years	> 3 years	
(i) MSME	471.51	-	-	-	-	471.51
(ii) Others	2,132.33	703.45	0.60	25.63	-	2,862.01
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	2,603.84	703.45	0.60	25.63	-	3,333.52

9.2 Trade Payables ageing schedule as at 31 March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	< 1 year	1-2 years	2-3 years	> 3 years	
(i) MSME	187.40	-	-	-	-	187.40
(ii) Others	4,009.23	1,687.08	27.83	-	-	5,724.14
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	4,196.63	1,687.08	27.83	-	-	5,911.54

9.3 Details of Dues to Micro Enterprises and Small Enterprises

(i) The principal amount remaining unpaid to any supplier as at the end of the accounting year.	-	-
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond appointed day during the accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years. Until such date when the interest dues as above are actually paid to the small enterprise for the purpose of Disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company, regarding the status of registration of such vendor under the said Act, as per the intimation received from them on the request made by the company.

10 Other current liabilities

Creditors for capital expenditure	38.41	184.30
Advances from customers	1,354.39	448.16
Interest accrued but not yet due	1.05	3.24
Employee payables	118.82	125.49
Provision for expenses	131.59	124.77
Provision for Bonus	85.45	77.96
Others	4.37	6.07
Statutory dues		
PF Payable	6.77	9.03
ESIC Payable	0.49	1.25
TDS Payable	25.19	49.00
RCM Payable under IGST, CGST and SCGT	1.45	2.86
	1,767.98	1,032.13

11 Short-term provisions

Provision for taxes	41.64	23.90
	41.64	23.90

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

12 Property, Plant and Equipments and Intangible assets

Particulars	Useful life (in years)	Gross Block				Accumulated Depreciation/ Amortization					Net Block	
		Balance as at 01 April 2025	Add:	Less:	Adjustments on account of disposal of subsidiary	Balance as at 31 March 2026	Balance as at 01 April 2025	Add:	Less:	Adjustments on account of disposal of subsidiary	Balance as at 31 March 2026	Balance as at 31 March 2026
			Additions during the year	Disposals during the year				Depreciation for the year	Depreciation on disposals for the year			
A Property, Plant and Equipment												
Land	NA	340.52	-	-	(14.67)	325.85	-	-	-	-	-	325.85
Buildings	60	3,961.57	153.66	-	(166.93)	3,948.30	541.55	123.69	-	(0.10)	665.14	3,283.16
Solar plants	15	1,030.84	-	-	-	1,030.84	290.80	65.99	-	-	356.79	674.05
Plant and machinery	15	9,801.40	207.65	(6.07)	(876.90)	9,126.08	3,310.56	621.80	(0.26)	(172.12)	3,759.98	5,366.10
Electrical installations	10	754.89	4.30	-	(56.44)	702.75	239.60	61.86	-	(0.08)	301.38	401.37
Furniture and fixtures	10	278.05	23.35	-	(6.60)	294.80	69.19	27.91	-	(1.51)	95.59	199.21
Office equipments	5	34.53	10.96	-	(7.20)	38.29	14.85	5.94	-	(3.40)	17.39	20.90
Lab equipments	10	9.01	0.90	-	(7.84)	2.07	2.49	0.53	-	(2.06)	0.96	1.11
Vehicles	8	418.56	-	-	(0.73)	417.83	163.94	49.16	-	(0.29)	212.81	205.02
Computers	3	50.95	2.89	-	(3.43)	50.41	30.78	10.10	-	(2.10)	38.78	11.63
Total Tangible assets (A)		16,680.32	403.71	(6.07)	(1,140.74)	15,937.22	4,663.76	966.98	(0.26)	(181.66)	5,448.82	10,488.40
B Intangible assets												
Softwares etc.	3	15.71	0.12	-	(1.50)	14.33	8.78	2.32	-	(0.36)	10.74	3.59
Total Intangible assets (B)		15.71	0.12	-	(1.50)	14.33	8.78	2.32	-	(0.36)	10.74	3.59
C Capital work-in-progress/ Intangible assets under development (ITAUD)*												
Buildings	NA	57.37	27.36	(57.37)	-	27.36	-	-	-	-	-	27.36
Plant and Machinery	NA	-	-	-	-	-	-	-	-	-	-	-
Electrical Installation	NA	-	38.32	-	-	38.32	-	-	-	-	-	38.32
Total Capital work-in-progress (C)		57.37	65.68	(57.37)	-	65.68	-	-	-	-	-	65.68
D Total fixed assets (A+B+C)		16,753.40	469.51	(63.44)	(1,142.24)	16,017.23	4,672.54	969.30	(0.26)	-	5,459.56	10,557.67

*All Capital work-in-progress/ Intangible assets under development (ITAUD) are for a period of less than 1 year and projects in progress.

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

12 Property, Plant and Equipments and Intangible assets (continued)

Particulars	Useful life (in years)	Gross Block				Accumulated Depreciation/ Amortization				Net Block
		Balance as at 01 April 2024	Add: Additions during the year	Less: Disposals during the year	Balance as at 31 March 2025	Balance as at 01 April 2024	Add: Depreciation for the year	Less: Depreciation on disposals for the year	Balance as at 31 March 2025	Balance as at 31 March 2025
A Property, Plant and Equipment										
Land	NA	340.52	-	-	340.52	-	-	-	-	340.52
Buildings	60	3,151.61	809.96	-	3,961.57	432.94	108.61	-	541.55	3,420.02
Solar plants	15	1,030.84	-	-	1,030.84	224.81	65.99	-	290.80	740.04
Plant and machinery	15	8,961.17	852.19	(11.96)	9,801.40	2,683.99	632.00	(5.43)	3,310.56	6,490.84
Electrical installations	10	648.23	106.66	-	754.89	172.46	67.14	-	239.60	515.29
Furniture and fixtures	10	153.26	124.79	-	278.05	54.95	14.24	-	69.19	208.86
Office equipments	5	24.76	9.77	-	34.53	10.27	4.58	-	14.85	19.68
Lab equipments	10	8.83	0.18	-	9.01	1.64	0.85	-	2.49	6.52
Vehicles	8	400.30	18.26	-	418.56	116.46	47.48	-	163.94	254.62
Computers	3	40.39	10.56	-	50.95	20.99	9.79	-	30.78	20.17
Total Tangible assets (A)		14,759.91	1,932.37	(11.96)	16,680.32	3,718.51	950.68	(5.43)	4,663.76	12,016.56
B Intangible assets										
Softwares etc.	3	9.59	6.12	-	15.71	5.09	3.69	-	8.78	6.93
Total Intangible assets (B)		9.59	6.12	-	15.71	5.09	3.69	-	8.78	6.93
C Capital work-in-progress/ Intangible assets under development (ITAUD)*										
Buildings	NA	446.64	94.32	(483.59)	57.37	-	-	-	-	57.37
Plant and Machinery	NA	272.97	31.31	(304.28)	-	-	-	-	-	-
Electrical Installation	NA	36.74	-	(36.74)	-	-	-	-	-	-
Total Capital work-in-progress (C)		756.35	125.63	(824.61)	57.37	-	-	-	-	57.37
D Total fixed assets (A+B+C)		15,525.85	2,064.12	(836.57)	16,753.40	3,723.60	954.37	(5.43)	4,672.54	12,080.86

*All Capital work-in-progress/ Intangible assets under development (ITAUD) are for a period of less than 1 year and projects in progress.

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

	31 March 2026	31 March 2025
13 Long-term loans and advances		
<i>Unsecured and considered good</i>		
Security deposits	301.58	243.28
Loan given to erstwhile subsidiaries (refer note 38)	516.50	-
Advances against capital expenditure	374.97	306.99
Less: Provision for doubtful advances	(228.09)	(76.03)
	<u>146.88</u>	<u>230.96</u>
	<u>964.96</u>	<u>474.24</u>
14 Inventories		
<i>Lower of cost or net realisable value</i>		
Raw material	754.79	1,119.57
Consumables	178.17	203.65
Packing material	43.93	39.61
Finished goods	3,106.03	4,174.35
Finished goods (in transit)	1,648.02	1,173.78
Trading goods	224.15	131.16
	<u>5,955.09</u>	<u>6,842.12</u>
15 Trade receivables		
<i>Unsecured and considered good</i>		
Receivables outstanding for a period exceeding six months	1,806.99	1,195.64
Other receivables	3,389.86	8,167.70
	<u>5,196.85</u>	<u>9,363.34</u>
<i>Unsecured and considered doubtful</i>		
Receivables outstanding for a period exceeding six months	75.46	66.38
Other receivables	-	-
Less: Provision for doubtful debts	(75.46)	-62.39
	<u>-</u>	<u>3.99</u>
	<u>5,196.85</u>	<u>9,367.33</u>

15.1 Trade Receivables ageing schedule as at 31 March 2026

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,091.36	2,299.34	903.95	653.70	133.90	43.30	5,125.55
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	0.80	74.66	75.46
(iii) Disputed trade receivables considered good	-	-	-	-	-	71.30	71.30
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-	-
Total	1,091.36	2,299.34	903.95	653.70	134.70	189.26	5,272.31
Less: Provision for doubtful debts							(75.46)
Total	1,091.36	2,299.34	903.95	653.70	134.70	189.26	5,196.85

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

31 March 2026 31 March 2025

15.2 Trade Receivables ageing schedule as at 31 March 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	5,357.24	3,253.49	309.64	218.07	153.61	-	9,292.05
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	1.50	12.94	51.93	66.37
(iii) Disputed trade receivables considered good	-	-	-	-	31.51	39.79	71.30
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-	-
Total	5,357.24	3,253.49	309.64	219.57	198.06	91.72	9,429.72
Less: Provision for doubtful debts							(62.39)
Total	5,357.24	3,253.49	309.64	219.57	198.06	91.72	9,367.33

16 Cash and bank balances

(a) Cash and cash equivalents

Cash-in-hand	13.57	13.96
Balance with banks in current accounts	23.60	363.24
	37.17	377.20

(b) Other bank balances

Deposits with maturity more than 3 months but less than 12 months	198.75	375.64
(including deposits marked as lien)	198.75	375.64
	235.92	752.84

17 Short-term loans and advances

Unsecured and considered good

Advances to vendors	127.60	216.61
Income-tax refund receivable	105.11	57.97
Input tax credit receivable (IGST, CGST, SGST)	131.67	308.14
GST refund receivable	171.44	407.23
GST demand paid under protest	43.67	35.32
Export benefits or subsidies receivable	343.58	352.66
Employee advances	16.97	10.40
Insurance claims receivable	-	30.99
Prepaid expenses	35.80	15.87
	975.84	1,435.19

18 Other current assets

Interest accrued on other loans	46.49	-
Interest accrued on fixed deposits	27.47	15.91
	73.96	15.91

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

	For the Year ended 31 March 2026	For the Year ended 31 March 2025
19 Revenue from operations		
(a) Sale of products		
Sale of goods	17,153.16	31,840.25
(b) Other operating revenue		
Export incentives	99.74	307.83
	17,252.90	32,148.08
20 Other income		
Interest earned on fixed deposits	18.29	24.36
Interest earned on loans and advances	31.98	-
Interest on income-tax refund	1.76	0.14
Foreign exchange difference (net)	214.46	149.03
Balances written back	0.99	2.92
Profit on sale of fixed assets	0.69	-
Other income	75.32	73.47
	343.49	249.92

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

	For the Year ended 31 March 2026	For the Year ended 31 March 2025
21 Cost of material consumed		
Opening stock of raw material	1,119.57	983.19
Add: Purchases during the period	6,736.39	18,127.51
Less: Closing stock of disposed subsidiary's raw materia	(61.61)	-
Less: Closing stock of raw material	(754.79)	(1,119.57)
	-	-
Consumption during the period	<u>7,039.56</u>	<u>17,991.13</u>
22 Purchase of traded goods		
Quartz surfaces and other miscellenous items	1,558.35	1,849.76
	<u>1,558.35</u>	<u>1,849.76</u>
23 Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Finished goods - Quartz slabs		
Opening Stock	5,348.13	4,597.14
Less: Closing Stock	(4,754.05)	(5,348.13)
Changes in inventories of finished goods	<u>594.08</u>	<u>(750.99)</u>
Trading goods		
Opening Stock	131.16	309.47
Less: Closing Stock	(224.15)	(131.16)
Changes in inventories of traded goods	<u>(92.99)</u>	<u>178.31</u>
Closing stock of Inventories at the time of disposal of subsidiary		
Finished Goods	(10.77)	-
Traded Goods	(0.99)	-
	<u>(11.76)</u>	<u>-</u>
24 Employee benefit expenses		
Salaries and wages to factory staff	1,311.78	1,274.97
Salaries and wages to other employees	26.53	510.15
Director's Remuneration	85.20	64.75
Bonus, Incentives etc.	90.63	113.16
Contribution to provident fund and others	49.14	52.96
Gratuity	25.65	31.22
Staff welfare expenses	155.87	161.57
	<u>1,744.80</u>	<u>2,208.78</u>
25 Finance expenses		
Interest on term loans	43.28	232.15
Interest on working capital loans	393.65	453.83
Interest on unsecured loans	0.37	52.65
Interest on vehicle and other loans	4.85	7.15
Interest to others	5.79	8.31
Interest/ Fees on delayed payment of government taxes	-	0.32
Bank commission and charges	43.70	44.84
	<u>491.64</u>	<u>799.25</u>

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

	For the Year ended 31 March 2026	For the Year ended 31 March 2025
26 Other expenses		
Manufacturing expenses		
Stores and spare parts consumed	767.92	1,834.47
Primary packing material consumed	153.78	358.65
Power, fuel and utility charges	360.74	609.77
General plant expenses (manufacturing)	73.86	68.27
Slurry removal expenses	36.14	66.92
Job work charges	779.90	720.18
Repair and maintenance expenses		
- on plant and machinery	52.34	111.96
Selling and distribution expenses		
Secondary packing material consumed	317.20	417.84
Transportation, ocean freight and clearing expenses	2,210.52	1,798.46
Exhibition and marketing expenses	225.83	257.35
Other selling expenses	107.26	91.94
Other administrative expenses		
Repair and maintenance expenses		
- on buildings	8.77	24.26
- on others	4.62	3.94
Travelling and accomodation expenses	200.75	234.57
Office and administrative expenses	76.53	88.67
Rent expenses	31.99	43.75
Vehicle running and maintenance expenses	43.62	50.57
Security expenses	16.16	15.60
Printing and stationery	3.04	5.85
Membership, subscriptions Etc.	1.29	2.52
Insurance expenses	25.30	38.65
Charity/ Donation expenses	2.58	2.98
Payment to auditors		
- for statutory audit	8.25	8.50
- for tax audit	-	-
- for others	3.85	4.00
Legal and professional expenses	82.38	48.56
Quality claims accepted on sold material	25.40	1.50
Bad debts	29.49	-
Provision for doubtful debts and bad debts	165.14	5.09
Miscellenous expenses	9.07	15.48
Corporate Social Resposibilty (CSR) expenses	24.16	28.76
	5,847.88	6,959.06

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

27 Contingent liabilities and commitments

	31 March 2026	31 March 2025
(a) Contingent Liabilities not provided for:		
Letter of credits outstanding	-	900.25
GST Related Matters for which company prefer appeal (refer note a1)	86.70	89.15
TDS Related Matters for which company has not provided any liability	0.84	0.82
Corporate guarantee for erstwhile subsidiary (refer note 38)	745.38	-

a1 The Company has received multiple orders from the Goods and Service Tax (SGST) Department for excess input-tax credit availed and/ or tax liability including interest and others. The Company has filed appeals in some cases and is in process of filing the appeal against other cases with the Honorable Appellate Authority. The management believes that basis of ground of appeals, and the chances of quashing the order are higher than confirmation of order by the Honorable Appellate Authority, accordingly, no liability has been provided.

a2 Custom duties on import of quartz surfaces in the USA from India

The Company's subsidiary imports Quartz Surfaces in the United States of America (USA) from India and effective December 2025, the Company also exports certain shipments of quartz surface products to the United States of America being the Importer of Record for such exports. The quartz surface products from India in the USA are subject to antidumping duty (ADD) and countervailing duty (CVD) orders imposed by the U.S. Department of Commerce. The final liability in respect of such duties is subject to determination by the U.S. Department of Commerce through periodic administrative reviews, the outcome of which may result in additional liability or refund. Further, the Company ascertains its exposure in this regard at the close of each reporting period to identify and evaluate any contingent liabilities arising therefrom, in accordance with Accounting Standard. Based on such evaluation as at the balance sheet date, no material contingent liability has been identified / the matter has been disclosed as a contingent liability, amount unascertainable, in view of the uncertainty surrounding the outcome. Administrative review for ADD for the period 01 June 2024 to 31 May 2025 was initiated and is pending as at the balance sheet date. However, for CVD as at Balance Sheet Date no Administrative review is initiated or pending. The Company does not expect the outcome of the above matter to have a material adverse effect on its financial position.

(b) Commitments

The Group has imported plant and machinery under EPCG scheme without paying custom duty, as a consequences in the event that certain terms and conditions are not fulfilled, the company is committed to pay the consequential taxes, levies etc. The Group has issued required Bank Guarantee in favour of DGFT (Director General of Foreign Trade) against the same. The outstanding bank guarantee as on 31 March 2026 is INR 31.80 lakhs (31 March 2025 : INR 31.80 lakhs). The total export obligation against these licenses is USD 5,067,072 (31 March 2025 : USD 5,067,072). The Group has completed obligations under some of the licenses and redemption is under process.

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

28 Related party transactions

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below

(a) List of related parties where control exists and related parties with whom transactions have taken place and relationships

Group	Ultimate Holding Company Esprit Stones Limited (formerly known as Esprit Stones Private Limited) Subsidiaries A 100% - Haique Stones Private Limited B 51% - Addwaya Chemicals Private Limited (upto September 30, 2025) C 100% - Haique Stones Inc, USA
Directors	In Holding Company 1 Pradeep Lunawath 2 Sunil Lunawath 3 Nitin Gattani 4 Sunil Gattani 5 Narendra Sharma 6 Neelam Tater In Subsidiaries 8 Shubh Gattani 9 Tanishk Lunawath 10 Rajendra Om Prakash Jain 11 Sumeet Gattani
Director's relative	1 Saumya Gattani, daughter of director Mr. Nitin Gattani 2 Sayar Kumari Lunawath, mother of director Mr. Sunil Lunawath 3 Anushree Lunawath, wife of director Mr. Sunil Lunawath 4 Siddhanth Lunawath son of director Mr. Pradeep Lunawath 5 Arnav Lunawath, son of director Mr. Sunil Lunawath 6 Seema Banthia, sister of director Mr. Pradeep Lunawath 7 Vijay Shree Lunawath, wife of director Mr. Pradeep Lunawath 8 Sangeeta Gattani, wife of director Mr. Nitin Gattani 9 Tanushree Gattani, daughter-in-law of director Mr. Sunil Gattani
Key Managerial Personnel (KMP)	1 Prakash Manghani, CFO 2 Anjali Pandey, Company Secretary and Compliance Officer
Enterprises in which directors' are interested	1 Aravali Minerals and Chemicals Industries Private Limited 2 Rose Marble Private Limited 3 Mahaveer Trading Company 4 Gattani Resorts Private Limited 5 Shreya Petrochem Private Limited 6 Esprit Ventures Private Limited 7 Rajasthan Packaging Company Private Limited 8 Pranav Marbles 9 Aravali Quartz 10 Alask Stones 11 S O and Company 12 K K Enterprises 13 Quality Suitings Private Limited 14 Addwaya Chemicals Private Limited (Erstwhile Subsidiary upto September 30, 2025) 15 Saumya Energy Private Limited

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

28 Related party transactions (continued)

(b) Transactions during the year with related parties after elimination of intra-group transactions

Sr	Nature of transactions	Name of related party	For the Year ended 31 March 2026	For the Year ended 31 March 2025
1	Sale of goods or services	Aravali Quartz	19.20	19.20
		Aravali Minerals and Chemicals Industries Private Limited	5.58	59.53
		Gattani Resorts Private Limited	0.71	1.42
		Pradeep Lunawath	-	6.83
		Sunil Lunawath	7.18	4.41
		Vijay Shree Lunawath	-	3.95
		Mahaveer Trading Company	-	0.13
		Rose Marble Private Limited	57.16	21.23
		Rajasthan Packing Company Private Limited	0.84	-
2	Sale of fixed assets	Rose Marble Private Limited	-	5.12
3	Purchase of goods or services	Aravali Minerals and Chemicals Industries Private Limited	64.42	2.90
		Addwaya Chemicals Private Limited	15.10	-
		Aravali Quartz	-	4.20
		Gattani Resorts Private Limited	3.89	2.68
		Pranav Marbles	310.52	948.14
		Rajasthan Packing Company Private Limited	-	0.90
		Rose Marble Private Limited	67.13	60.54
		Mahaveer Trading Company	6.63	1.16
		S O and Company	-	32.03
		K K Enterprises	83.51	27.18
		Quality Suiting Private Limited	-	7.21
		Saumya Energy Private Limited	-	15.70
		Pranav Banthia	-	21.02
		Shreya Petrochem	-	-
4	Purchase of fixed assets	Aravali Minerals and Chemicals Industries Private Limited	-	1.25
		Rose Marble Private Limited	-	7.82
5	Remuneration	Sunil Lunawath	31.92	24.50
		Nitin Gattani	31.92	24.50
		Pradeep Lunawath	21.36	20.25
		Prakash Manghani	30.66	28.67
		Anjali Pandey	3.90	3.90
		Arnav Lunawath	27.90	35.60
		Saumya Gattani	-	9.60
		Shubh Gattani	29.14	19.50
		Siddhanth Lunawath	32.47	32.10
		Sumit Gattani	19.48	18.85
		Tanushree Gattani	9.72	9.31
		Sangeeta Gattani	27.90	18.00
6	Sitting fees to directors	Narendra Sharma	0.38	0.93
		Neelam Tated	0.55	0.90
		Sunil Gattani	0.53	0.72

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

28 Related party transactions (continued)

(b) Transactions during the year with related parties after elimination of intra-group transactions (continued)

Sr	Nature of transactions	Name of related party	For the Year ended 31 March 2026	For the Year ended 31 March 2025
7	Loan taken	Rajendra Om Prakash Jain	-	40.00
		Sumit Gattani	-	40.00
		Sunil Lunawath	45.00	50.00
		Pradeep Lunawath	-	3.02
8	Loan repaid	Rajendra Om Prakash Jain	-	20.00
		Sumit Gattani	-	40.00
		Sunil Lunawath	35.00	121.50
		Nitin Gattani	400.00	40.00
		Pradeep Lunawath	27.50	50.00
		Anushree Lunawath	1.85	58.50
		Mangilal Lunawath	215.00	105.00
		Sangeeta Gattani	27.50	65.00
9	Interest on loans paid	Rajendra Om Prakash Jain	-	26.97
		Sumit Gattani	-	0.81
		Pranav Banthia	-	11.55
		Seema Banthia	-	13.32
10	Interest earned on loan	Addwaya Chemicals Private Limited (After 30 September 2025)	25.75	-
11	Fees for corporate guarantee	Addwaya Chemicals Private Limited (After 30 September 2025)	6.23	-
12	Sale of shares of subsidiary	Seema Banthia	45.03	-
13	Reimbursement of expenses	Rose Marble Private Limited	-	0.11
		Siddhanth Lunawath	0.95	0.68
		Pradeep Lunawath	-	0.78
		Addwaya Chemicals Private Limited	0.99	0.13

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

28 Related party transactions (continued)

(c) Balance with related parties at the year-end after elimination of intra-group transactions

Sr	Nature of balances	Name of related party	31 March 2026	31 March 2025
1	Trade receivables	Gattani Resorts Private Limited	-	0.50
		Addwaya Chemicals Private Limited	7.46	-
		Pradeep Lunawath	-	1.84
		Rajasthan Packaging Company Private Limited	0.24	0.30
		Rose Marbles Private Limited	-	0.47
		Aravali Quartz	5.57	85.78
		Aravali Minerals and Chemicals Industries Private Limited	-	17.16
2	Trade payables	Rose Marbles Private Limited	0.75	36.19
		K K Enterprises	30.83	32.07
		Quality Suitings Private Limited	-	8.51
		Mahaveer Trading Company	1.28	0.99
		Gattani Resorts Private Limited	0.56	-
		Pranav Marbles	100.28	379.39
		S O and Company	-	15.00
		Pranav Banthia	-	3.40
3	Others Receivables	Mahaveer Trading Company	-	0.09
4	Others Payables	Sunil Lunawath	-	1.82
		Sangeeta Gattani	1.85	1.85
		Arnav Lunawath	1.85	1.85
		Siddhanth Lunawath	0.16	-
5	Unsecured Loan	Mangilal Lunawath	60.00	275.00
		Pradeep Lunawath	215.52	243.02
		Sunil Lunawath	10.00	-
		Nitin Gattani	248.50	648.50
		Sayar Kumari Lunawath	80.00	80.00
		Anushree Lunawath	42.65	44.50
		Arnav Lunawath	24.55	24.55
		Sangeeta Gattani	185.50	213.00
		Rajendra Om Prakash Jain	-	286.00
		Pranav Banthia	-	125.94
		Seema Banthia	-	145.18
7	Loans and advances (in nature of loan)	Addwaya Chemicals Private Limited (erstwhile subsidiary)	516.50	-
		<i>% of the total loans and advances in the nature of loans</i>	100%	-
8	Corporate Guarantee given	Addwaya Chemicals Private Limited (erstwhile subsidiary)	745.38	-

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

29 Segment reporting

(a) Information about Primary Segments - Business Segments

As at and for the year ended 31 March 2026						
Particulars	Business Segments		Other operations	Inter-company eliminations	Total	
	Engineered Stones	Unsaturated Polyester Resin				
I Segment revenue						
External revenue	17,040.14	212.76	-	-	17,252.90	
Inter-segment revenue	-	18.19	-	(18.19)	-	
Total revenue	17,040.14	230.95	-	(18.19)	17,252.90	
II Segment results						
Segment results	-251.24	-145.08	-	-	-396.32	
Less: Unallocated corporate expenses					-	
Operating profits					-396.32	
Add : Other income					343.49	
Less: Finance costs					(491.64)	
Add: Exceptional items					52.49	
Less: Tax expenses					106.62	
Profit after tax					-385.36	
III Particulars of segment assets and liabilities						
Segment assets	23,397.30		562.99		23,960.29	
Segment liabilities	10,773.12		-		10,773.12	
IV Particulars of other segment information						
Capital expenditure	604.45	-	-	-	604.45	
Segment depreciation	942.19	34.55	-	(7.44)	969.30	
Non-cash expenditure/ (gain) other than depreciation	-32.23	-	-	-	-32.23	

As at and for the year ended 31 March 2025						
Particulars	Business Segments		Other operations	Inter-company eliminations	Total	
	Engineered Stones	Unsaturated Polyester Resin				
I Segment revenue						
External revenue	23,676.61	8,471.47	-	-	32,148.08	
Inter-segment revenue	-	4,177.20	-	(4,177.20)	-	
Total revenue	23,676.61	12,648.67	-	(4,177.20)	32,148.08	
II Segment results						
Segment results before finance costs, exceptional items and tax	1,988.91	768.75			2,757.66	
Less: Unallocated corporate expenses					-	
Operating profits					2,757.66	
Add : Other income					249.92	
Less: Finance costs					(799.25)	
Less: Exceptional items					-	
Less: Tax expenses					(488.26)	
Profit after tax					1,720.07	
III Particulars of segment assets and liabilities						
Segment assets	25,128.87	7,537.10	-	(1,697.48)	30,968.49	
Segment liabilities	10,881.59	7,150.73	-	(586.60)	17,445.72	
IV Particulars of other segment information						
Capital expenditure	1,237.88	54.65	-	-	1,292.53	
Segment depreciation	896.86	64.95	-	(7.44)	954.37	
Non-cash expenditure/ (income) other than depreciation	(3.26)	-	-	-	(3.26)	

Notes:

- The group has disclosed business segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system and which is also the basis on which the management reviews and assess the Group's performances. The operations predominantly relate to Engineered Stones and Unsaturated Polyester Resin.
- Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on reasonable basis.

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

29 Segment reporting (continued)
(b) Information about Secondary Segments - Geographical

	31 March 2026	31 March 2025
I Segment revenue		
from customers in India	6,001.50	14,435.32
from customers outside India (including USA)	11,251.40	17,712.76
Total	17,252.90	32,148.08
II Segment assets		
Within India	21,395.61	28,541.66
Outside India (including USA)	2,564.68	2,426.83
Total	23,960.29	30,968.49
III Capital expenditure		
Within India	604.45	1,292.53
Outside India (including USA)	-	-
Total	604.45	1,292.53

Notes:

(i) The group has disclosed geographical segment as the secondary segment which have been identified taking into account the geographical location of the customers and which is also the basis on which the management reviews and assess the Group's performances. The customers are based within India or outside India (including USA). Further, the export incentives received are considered as revenue from outside India as these are directly related and accrued on exports.

30 Earning per share

	31 March 2026	31 March 2025
Profit attributable to the equity shareholders (A)	(261.59)	1,566.39
Weighted average number of equity shares	21,945,200	16,150,000
Add: Shares issued through public issue on 31 July 2024	-	5,795,200
Weighted average number of equity shares	21,945,200	20,008,174
Basic and diluted earning per share (C = A/B)	(1.19)	7.83

31 Operating leases

The Group has operating leases for land and residential premises for its staff, these are renewable on a periodic basis and are cancellable by giving a notice period ranging from 1 month to 6 months. The Group has recognised expenses in current period of Rs. ₹ 31.99 lakhs (PY: ₹ 43.75 lakhs) against these leases. Since these leases are for a period of maximum 11 months, no further disclosures are required.

32 Foreign currency exposure
(a) Payables in foreign currency

	In Foreign currency		In lakhs Indian Rupees (₹)	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Unhedged - USD	USD 10,476.00	USD 103,270.00	9.93	88.27
Total			9.93	88.27

(b) Receivables in foreign currency

	In Foreign currency		In Indian Rupees (₹)	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Unhedged - USD	USD 2,092,253	USD 2,815,585	1,984.20	2,406.29
Hedged - USD	USD 400,000	USD 0	379.34	-
Total	USD 2,492,253	USD 2,815,585	2,363.54	2,406.29

	In Foreign currency		In Indian Rupees (₹)	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Unhedged - AED	AED 0	88,267.57	-	20.54
Hedged - AED	-	-	-	-
Total	AED 0	88,267.57	-	20.54

33 Other disclosures
a) Value of imports calculated on C.I.F basis in respect of:

	31 March 2026	31 March 2025
Raw materials	47.02	65.51
Consumables	14.38	129.79
Plant and machineries	115.21	182.95

b) Earning in foreign currency:

Including sales to foreign subsidiary

	31 March 2026	31 March 2025
Revenue from sales of goods on FOB basis from India	9,920.41	16,265.47
Revenue from export of services	16.32	15.39

c) Expenditure in foreign currency:

	31 March 2026	31 March 2025
Against collateral deposit for Continuous Bond with US-Customs	44.96	-

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

34 Analytical ratios

	Ratios	Numerator	Denominator	31 March 2026	31 March 2025	Variance
(a)	Current Ratio(Times)	Current Assets (As per Balance Sheet)	Current Liabilities (As per Balance Sheet)	1.44	1.31	10%
(b)	Debt Equity Ratio(Times)	Total Debt (As per Balance Sheet)	Shareholders' Equity (As per Balance Sheet)	0.39	0.74	-47%
(c)	Debt Service Coverage Ratio (Times)	Earnings available for debt service (i.e. Net Profit Before Tax + Depreciation + Interest Expenses)	Debt Service (i.e. Interest Expenses + Principal repayments)	0.48	0.98	-51%
(d)	Return on Equity Ratio(%)	Net profit after taxes (As per Statement of Profit and Loss)	Average Shareholders Equity (As per Balance Sheet)	-2.91%	16.72%	-117%
(e)	Inventory Turnover Ratio(Times)	Revenue from operations (As per Statement of Profit and Loss)	Average Inventory (As per Balance Sheet)	2.70	4.95	-46%
(f)	Trade Receivables Turnover Ratio(times)	Revenue from operations (As per Statement of Profit and Loss)	Average Trade Receivables (As per Balance Sheet)	2.37	3.87	-39%
(g)	Trade Payables Turnover Ratio (Times)	Total Purchases (i.e. all operating expenses less non-cash expenses)	Average Trade Payables (As per Balance Sheet)	3.04	4.92	-38%
(h)	Net Capital Turnover Ratio(Times)	Revenue from Operations (As per Statement of Profit and Loss)	Average Working Capital (Working Capital means Current Assets less Current Liabilities)	4.29	12.33	-65%
(i)	Net Profit Ratio(%)	Net profit after taxes (As per Statement of Profit and Loss)	Revenue from Operations (As per Statement of Profit and Loss)	-2.23%	5.35%	-142%
(j)	Return on Capital employed(%)	Earning before Interest and Tax (EBIT) (i.e. Net Profit Before Tax + Finance Expenses)	Capital Employed (i.e. Shareholders' Equity + Minority Interest + Deferred Tax Liability + Total Debt)	-0.28%	12.58%	-102%

34.2 *Explanation for change in the ratios by more than 25%:

- (b) The **Debt-Equity ratio** has decreased, as the debt is reduced due to repayment of term loans and working capital loans remain in line with previous year. Accordingly, the gap between shareholders' fund and borrowings has increased which has reduced the debt-equity ratio.
- (c) The **Debt Service Coverage Ratio** has decreased significantly due to low operating profit during current year.
- (d) The **Return on Equity** is negative during current year and has decreased drastically as Company has net loss after tax for the current year. Also the equity base for current year was higher as Company had issued shares in previous year.
- (e) The **Inventory Turnover Ratio** has decreased as Company's revenue from operations has decreased but the average inventory has not reduced to that extent in the current year.
- (f) The **Trade Receivable Turnover Ratio** has decreased as Company's revenue from operations has decreased but the Company's sales were revived during the last quarter due to which the average trade receivable has not reduced that much.
- (g) The **Trade Payable Turnover Ratio** has decreased as Company's scale of operations has decreased resulting in lower purchases during the year but the Company's operations were revived during the last quarter due to which the average trade payables has not reduced that much.
- (h) The **Net Capital Turnover Ratio** is decreased as during the year as Company's revenue has reduced and average net working capital remains in line with previous year.
- (i) The **Net Profit/ (loss) ratio** is decreased as during the current year company has recorded loss as compare to profit last year.
- (j) The **Return on Capital Employed** is negative during current year and has decreased drastically as Company has negative EBIT for the current year. Also the equity base for current year was higher as Company had issued shares in previous year.

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

35 Disclosures as per amendments in Schedule III of Companies Act, 2013 with notification issued on 24th March 2021:

Information required against additional disclosures as per amendments in Schedule III of Companies Act, 2013 are as under:-

(a) Title deeds of Immovable Property not held in name of the Company (Para a(ii)(XIII)(Y)(i))

There are no immovable properties owned by the company whose title deeds are not held in its name.

(b) Revaluation of Property, Plant & Equipment (Para a(ii)(XIII)(Y)(ii))

During the year under review the company has not revalued its property, plant & Equipment (Includign right of use assets).

(c) Loan & Advance made to promoters, directors, KMPs and other related parties (Para a(ii)(XIII)(Y)(iii))

The Company has not provided any loans and advance to the parties covered under this clause other than those disclosed under note number 28.

(d) Details of Benami property held (Para a(ii)(XIII)(Y)(vi))

No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(f) Willful Defaulter (Para a(ii)(XIII)(Y)(viii))

The company has not been declared as wilful defaulter by any bank or financial institutions or other lenders.

(g) Relationship with struck off Companies (Para a(ii)(XIII)(Y)(ix))

There are no transactions (Including Investment in Securities / Shares held by Struck off company & Other Outstanding balances) with companies struck off u/s 248 of the Companies Act 2013, or section 560 of the Companies At, 1956.

(h) Registration of charges and satisfaction with Registrar of Companies (Para a(ii)(XIII)(Y)(x))

There are no charges or satisfaction of charges which are yet to be registered with Registrar of Companies beyond the statutory period.

(i) Compliance with number of layers of companies (Para a(ii)(XIII)(Y)(xi))

The company has not made violation of requirements related to number of layers of companies as prescribed under clause 87 of Section 2 read with Companies (Restriction of number of Layeers) Rules 2017.

(j) Compliance with approved Scheme(s) of Arrangements (Para a(ii)(XIII)(Y)(xiii))

Not applicable

(k) Utilization of Borrowed funds and share premium (Para a(ii)(XIII)(Y)(xiv))

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(l) Undisclosed Income (Para a(iii)(ix))

Company has not surrendered or disclosed any transaction which was not recorded in the books of accounts as income during the year in the tax assessment under the Income Tax Act.

(m) Details of Crypto Currency or Virtual Currency (Para a(iii)(xi))

The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

36 Disclosures related to employee benefits

The Company has classified various employee benefits as under:

A Defined contribution plans

i) Provident Fund

ii) Employer's Contribution to Employee State Insurance Corporation (ESIC)

The Provident fund and Pension scheme are operated by regional PF Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement schemes to fund the benefits.

The Company as recognised the following amounts in the Statement of Profit and Loss:

	31 March 2026	31 March 2025
Contribution to Provident fund	42.35	43.09
Contribution to Employee State Insurance Corporation (ESIC)	6.39	7.19

B Retirement benefit plans

i) Gratuity based on actuarial valuations

I. Actuarial Assumptions

	31 March 2026 IALM (2012-14)	31 March 2025 IALM (2012-14)
Mortality		
Discount rate	7.25%	7.20%
Salary growth rate p.a.	7.00%	7.00%
Expected rate of return on planned assets		
Withdrawal rates p.a.		
25 years and below	10.00%	10.00%
25 to 35 years	8.00%	8.00%
35 to 45 years	6.00%	6.00%
45 to 55 years	4.00%	4.00%
55 and above	2.00%	2.00%

II. Funded status of the plan

	31 March 2026	31 March 2025
Present value of unfunded obligations	108.48	86.13
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Unrecognised Past Service Cost	-	-
Net Liability (Asset)	108.48	86.13

III. Profit and loss for the period

	31 March 2026	31 March 2025
Present value of obligations at beginning of the year	-	-
Current service cost	26.31	22.99
Interest on obligations	5.51	3.88
Expected return on plan assets	-	-
Net actuarial loss/(gain)	(19.62)	4.35
Recognised Past Service Cost-Vested (refer note 36C)	13.45	-
Recognised Past Service Cost-Unvested	-	-
Loss/(gain) on curtailments and settlement	-	-
Total included in 'Employee Benefit Expense'	25.65	31.22

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

36 Disclosures related to employee benefits (continued)

B Retirement benefit plans (continued)

IV. Reconciliation of defined benefit obligation	31 March 2026	31 March 2025
Opening Defined Benefit Obligation	86.13	54.93
Reversal of provisions due to sales of shares in subsidiaries	(3.30)	0.00
Transfer in/(out) obligation	-	-
Current service cost	26.31	22.99
Interest cost	5.51	3.88
Actuarial loss (gain)	(19.62)	4.33
Past service cost (refer note 36C)	13.45	-
Loss (gain) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefit paid from fund	-	-
Benefits paid by company	-	-
Closing Defined Benefit Obligation	108.48	86.13
V. Reconciliation of net defined benefit liability	31 March 2026	31 March 2025
Net opening provision in books of accounts	86.13	54.93
Reversal of provisions due to sales of shares in subsidiaries	(3.30)	-
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee Benefit Expenses as per 3.2	25.65	31.20
Benefits paid by the Company	-	-
Contributions to plan assets	-	-
Closing provision in books of accounts	108.48	86.13

C Impact of New Labour Codes

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed the same & there is no material impact of these changes and to the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India except an incremental amount of Rs. 13.45 Lakhs which has been recognized towards the provision for gratuity in the Statement of Profit and Loss for the year, in accordance with Accounting Standard (AS) 15 "Employee Benefits." Based on the assessment carried out, the Company does not expect any other material impact of the Labour Codes on its financial statements for year ended 31 March 2026. Further, the Company continues to monitor the "finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect (if any) on the basis of such developments as required.

- 37** The Company is entitled to certain export incentives, including Duty Drawback and RoDTEP, under the Government's Export Policy. Such incentives are recognized on accrual basis in the period in which the related export sales, or the export incentive, accrue and become due.

During the current year, an amount of Rs. 77.93 Lakhs, pertaining to export incentives accrued in earlier years and considered no longer recoverable based on management's estimate, has been written off. The said amount has been netted off against export incentive income recognized during the current year.

Notes to consolidated financial statements (continued)

for the year ended 31 March 2026

Currency : in Lakhs INR (₹)

38 Disposal of subsidiary during current reporting period:

(a) During the month of March 2025, one of subsidiary M/s Addwaya Chemicals Private Limited ('the erstwhile subsidiary') in which the Company was holding 51% shareholding has received direction for closure of the industry from the Regional Office of Rajasthan State Pollution Control Board, ('RSPCB'), District-Rajsamand, State-Rajasthan under Section 33(A) of the Water (Prevention and Control of Pollution) Act, 1974 and Section 31(A) of the Air (Prevention and Control of Pollution) Act, 1981, situated at Arajai No. 1953/11, 2080/10 & 2082/11, Village-Rathujana Negdiya, Tehsil-Nathdwara, District Rajsamand, State-Rajasthan. Currently, the management of the erstwhile subsidiary is exploring possibilities for obtaining required statutory permission for re-commencing its manufacturing operations.

(b) On September 30, 2025 the company has disposed its entire holding of 51% in the said company for INR 120.87 lakhs based on its current valuation duly certified by the registered valuer, The Company has sold the said investment at current fair value, the results of the subsidiary up to date of disposal i.e. 30 September 2025 are included in consolidated financial results of the entity. Accordingly, the net gain on disposal of subsidiary of INR 52.49 lakhs has been disclosed as an exceptional in statement of profit and loss for the six months ended September 30, 2025.

(c) The Company had given Corporate Guarantee (CG) on behalf of Addwaya Chemicals Private Limited while it was subsidiary of the Company against the credit facilities availed from HDFC Bank Limited. The said CG is maintained as per the terms with HDFC Bank Limited. The outstanding exposure of credit facilities against which CG was given was INR 1,756 lakhs as on September 30, 2025, which is reduced to INR 604 lakhs as on date.

(d) The Company had given loan of INR 516.50 lakhs to Addwaya Chemicals Private Limited while it was subsidiary of the Company, which is outstanding as on date, Based on its estimates and commitment, the management of the erstwhile subsidiary is confident of repaying this loan hence no adjustment to the books have been made in this regard.

39 Previous year's figures have been regrouped, rearranged and reclassified, wherever considered necessary, and are rounded off to nearest lakhs, in order to conform to the current year's presentation.

As per our report attached

For A Bafna & Co

Firm Reg. No. : 003660C

SD/-

Vivek Gupta

Partner

Membership Number : 400543

Place : Udaipur

Date : 16 May 2026

For and on behalf of Board of Directors of

Esprit Stones Limited

CIN: U74999RJ2016PLC056284

SD/-

Nitin Gattani

Director

DIN: 00173258

SD/-

Prakash Manghani

CFO

SD/-

Sunil Lunawath

Director

DIN : 01105117

SD/-

Anjali Pandey

Company Secretary

ICSI Membership Number : A45660





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