



Date: 14/02/2024

To,
The Listing Compliance Department,
BSE Limited,
P. J. Tower, Dalal Street,
Mumbai – 400001
Scrip Code: 534809

To,
The Listing Compliance Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
Symbol: PCJEWELLER

Sub.: Outcome of the Board Meeting – Financial Results

Dear Sir / Ma'am,

The Board of Directors of the Company at its meeting held today i.e. February 14, 2024 has, inter-alia, considered and approved the un-audited standalone and consolidated financial results of the Company for the quarter and nine months ended December 31, 2023 and taken note of the limited review reports thereon issued by statutory auditor.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the aforesaid financial results alongwith limited review reports thereon.

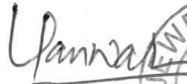
The Board meeting commenced at 4:00 PM and concluded at 4:42 PM.

Kindly take the same on record.

Thanking you.

Yours sincerely,

For **PC Jeweller Limited**


(VIJAY PANWAR)
Company Secretary



Encl.: As above

PC Jeweller Limited

Independent Auditor's Review Report on unaudited standalone financial results of PC Jeweller Limited for the quarter ended 31st December 2023 and year to date Unaudited Financial Results pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To The Board of Directors
PC Jeweller Limited
New Delhi

1. We have reviewed the accompanying statement of unaudited standalone financial results of **PC Jeweller Limited** (the "Company") for the quarter ended 31st December 2023 and year to date results from 1st April 2023 to 31st December 2023 (the "Statement") attached herewith.

2. This statement, which is the responsibility of the company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind-AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 ("the Act") as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to express a conclusion on the statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Basis for Qualified Conclusion:

(i) The company during the financial year ended 31st March 2019 had provided discounts of INR 513.65 Crore to its export customers which had been adjusted against the revenues for the said year (read with Note 4 to the accompanying statement). The company had initiated the process to comply with the requirements of the Master Directions on Exports of Goods and Services issued by the Reserve Bank of India. Subsequently the company has obtained the approvals from the authorized dealer banks for reduction in receivables corresponding to discounts amounting to INR 330.49 Crore.

For the remaining discounts of INR 183.16 Crore, in the absence of requisite approvals and material evidence related to such transactions, we are unable to comment on the impact, if any, of the same on the accompanying Statement.

Auditor's opinion for the year ended 31st March 2019, 31st March 2020, 31st March 2021, 31st March 2022, 31st March 2023, Quarter ended June 2023 and September 2023 were also modified in respect of this matter.



5. Qualified Conclusion

Based on our review conducted as above, except for the possible effects of the matters described in the previous paragraph No. 4, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in Ind-AS 34, prescribed under Section 133 of the Act, as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Material Uncertainty Related to Going Concern

We draw attention to Note 7 in the financial statements and as stated in Note 7, these events or conditions viz. Application by Financial Creditor(s) i.e. State Bank of India was filed to Initiate Corporate Insolvency Resolution Process in the matter of the Corporate Debtor (PC Jeweller Ltd.) under Chapter II of the Insolvency and Bankruptcy Code under Section 7 of the Insolvency and Bankruptcy Code 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules 2016 before The Hon'ble National Company Law Tribunal, New Delhi Bench At New Delhi vide Company Petition (IB) No. 421 of 2023 dated 06.06.2023 (Filed on 07.06.2023 and registered on 20.07.2023). As per the Application filed by SBI the total amount of default in respect of the Facilities is of INR 1180.20 Crores as on 30.04.2023 along with future interest at the Contractual rate from there on the aforesaid amount together with incidental expenses, cost, charges, penal interest etc. The Company has approached lenders to resolve the issue of unpaid debt with a One Time Settlement Proposal which is under consideration by the respective internal authorities of lenders.

Presently all the ongoing Legal Matters are sub-judice in relation to rejection of proposed resolution plan in relation to company's borrowing exposure, order of DRT for initiation of full recovery proceedings on application of lead bank (SBI), issuance of recall notices by the lenders, notices under SARFAESI Act and initiation of Corporate Insolvency Resolution Process before Hon'ble NCLT (Read with Note 7 to the accompanying statement) indicates that a material uncertainty exists that may cast significant doubt on the ability of the company to continue as a going concern.

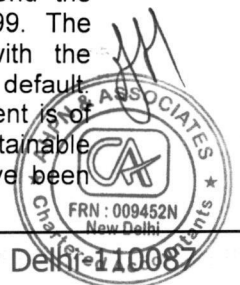
The appropriateness of the going concern assumption is dependent on the company's ability to settle its due from banks, outcome of CIRP proceedings and recoveries from overseas Trade Receivables to meet its short term and long term obligations as well as to establish consistent business operation.

Our conclusion is not modified in respect of this matter.

7. Emphasis of Matter

We draw attention to

- (i) As per Note 5 to the accompanying statement there is delay in receipt of proceeds denominated in foreign currency against export of goods made by the company to its overseas customers aggregating to INR 1725.95 Crores (Original amount of Exports booked stood at Rs. 1467.53 Crores) as on 31st December 2023, beyond the timelines stipulated under the Foreign Exchange Management Act, 1999. The management of the company has filed the necessary applications with the appropriate authority for condonation of such delays to regularize the default. Pending condonation of such delay by the appropriate authority, management is of the view that the possible penalties that may be levied are currently unascertainable and would not be material; accordingly, no consequential adjustments have been made to the accompanying statement with respect to such delay/default.



(ii) With respect to provision for the expected credit loss/impairment relating to overdue overseas Trade Receivables as required under Ind-AS 109, the management reviews and computes the provision for expected credit losses on annual basis.

In view of defaults in payment obligations by the Trade Receivables on due date, non-recoveries as per the scheduled expected dates from the export receivables, initiation of legal route for recovery, non review and re-computation by the management for expected credit losses during the period and in absence of clear forward looking information regarding outcome, time frame and quantum of realisability of these Trade receivables, we are unable to examine the adequacy of expected credit loss/ impairment based on provision matrix as per the requirements of Ind-AS 109 "Financial Instruments" and its consequential impact and adjustments on the accompanying statement.

Auditor's opinion for the year ended 31st March 2023, Quarter ended June 2023 and Quarter ended September 2023 was also modified in respect of this matter.

(iii) As per Note No. 6 of financial results regarding default in repayment of loans and interest to banks owing to which the banks have classified the account as NPA and recalled its loans and has initiated various legal actions for recovery of its dues including legal action initiated under Insolvency and Bankruptcy Act, 2016, SARFESI Act, The Recovery of Debts due to Banks and Financial Institution Act, 1993.

Further Due to rejection of the resolution plan by the lenders, the Lead bank has initiated the recovery proceedings through Debt Recovery Tribunal (DRT) and obtained an order to seize, take control and prepare an inventory of entire stocks of hypothecated assets to the lenders (Read with Note 7 to the accompanying statement).

In response, the company has moved to the Debts Recovery Appellate Tribunal (DRAT) against the order of the DRT, and the matter is sub-judice.

Meanwhile some of the other consortium members have also filed their recovery suit in DRT against the company.

Amount of Loan and Provision for Interests for which no confirmation/ statements have been provided to us by few banks are subject to reconciliation and subsequent adjustments.

As per the order of DRT and DRAT inventorization and valuation of inventory of few locations was carried out and the stock lying at those location was put under courts custody.

The Inventory valuation is based on determination of estimated net realizable value or cost which is lower in accordance with the Indian Accounting Standards. We have relied upon the valuation of the Inventory as certified and determined by the management which is in accordance with the Indian Accounting Standards.

Auditor's opinion for the year ended 31st March 2023, Quarter ended June 2023 and Quarter ended September 2023 was also modified in respect of this matter.



- (ii) As per Note No. 10 due to uncertainties with respect future profits and its consequential impact on taxation thereof, the Company has not recognized the Deferred Tax assets (On net Basis).

Our conclusion is not modified in respect of these matters.

For A H P N and Associates

Chartered Accountants

FRN: 009452N



FCA Navdeep Gupta

Partner

M.No. : 091938

Place : New Delhi

Dated : 14.02.2024

UDIN : 24091938 BKB Z2I 4629

PC JEWELLER LIMITED

Regd. Office: C-54, Preet Vihar, Vikas Marg, Delhi - 110092
CIN: L36911DL2005PLC134929, Phone: 011-49714971, Fax: 011-49714972
Website: www.pcjeweller.com, email: info@pcjeweller.com

PART I

Statement of standalone unaudited financial results for the quarter and nine months ended 31 December 2023

(₹ in crores except earnings per share)

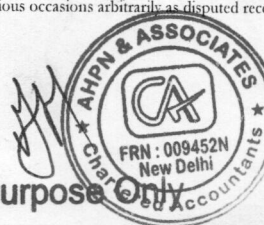
S. no.	Particulars	3 months ended	Preceding 3	Corresponding 3	9 months ended	Corresponding 9	Previous year
		31 December 2023	months ended	months ended	31 December	months ended	ended
		(Unaudited)	30 September 2023	(Unaudited)	31 December 2022	(Unaudited)	31 March 2023
				(Unaudited)		(Unaudited)	(Audited)
I	Revenue from operations	40.05	33.49	829.06	140.96	2,186.22	2,359.46
II	Other income	3.58	19.81	28.29	29.89	156.19	147.85
III	Total income (I+II)	43.63	53.30	857.35	170.85	2,342.41	2,507.31
IV	Expenses						
	a) Cost of materials consumed	18.98	30.94	755.53	88.13	1,956.07	2,013.01
	b) Purchases of stock-in-trade	-	-	13.96	-	94.39	95.00
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	76.75	22.00	(13.30)	149.99	(217.07)	(117.15)
	d) Employee benefits expenses	6.71	7.95	14.19	24.15	40.80	53.44
	e) Finance costs	126.21	123.67	125.00	374.92	368.44	491.69
	f) Depreciation and amortization expenses	4.64	4.99	6.70	15.79	19.42	25.85
	g) Other expenses	10.64	15.58	25.53	43.17	67.44	190.31
	Total expenses (IV)	243.93	205.13	927.61	696.15	2,329.49	2,752.15
V	Profit/(loss) before tax (III-IV)	(200.30)	(151.83)	(70.26)	(525.30)	12.92	(244.84)
VI	Tax expense						
	a) Current tax	-	-	(5.76)	-	(56.28)	(56.28)
	b) Deferred tax	-	-	(0.33)	-	0.36	150.55
VII	Profit/(loss) for the period (V - VI)	(200.30)	(151.83)	(64.17)	(525.30)	68.84	(339.11)
VIII	Other comprehensive income						
	(A)(i) Items that will not be reclassified to profit/(loss)	-	-	-	-	-	0.61
	(ii) Income-tax relating to items that will not be reclassified to profit/(loss)	-	-	-	-	-	(0.15)
	(B)(i) Items that will be reclassified to profit/(loss)	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit/(loss)	-	-	-	-	-	-
IX	Total comprehensive income for the period (comprising profit/(loss) and other comprehensive income for the period) (VII+VIII)	(200.30)	(151.83)	(64.17)	(525.30)	68.84	(338.65)
X	Paid-up equity share capital (face value ₹ 10/- per share)	465.40	465.40	465.40	465.40	465.40	465.40
XI	Other equity						3,079.65
XII	Earnings per share : (of ₹ 10/- each)	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(annualized)
	(a) Basic (₹)	(4.30)	(3.26)	(1.38)	(11.29)	1.48	(7.29)
	(b) Diluted (₹)	(4.30)	(3.26)	(1.38)	(11.29)	1.48	(7.29)

See accompanying notes to the financial results.

Notes:

- The standalone financial results of PC Jeweller Limited ('PCJ' or the 'Company') for the quarter and nine months ended 31 December 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14 February 2024. The statutory auditors of the Company have expressed a modified review conclusion on these results.
- The financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), prescribed under section 133 of the Companies Act, 2013 and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- The Company is engaged in the business of trade, manufacture and sale of gold, diamond, silver, precious stone, gold jewellery/items, diamond studded jewellery and silver articles of various designs/specifications. The Company's manufacturing facilities are located in India.
- During the financial year ended 31 March 2019, the Company had provided discounts to its export customers aggregating to ₹ 513.65 crore and had submitted the requisite applications for approval from the Authorised Dealer Banks as stipulated FED Master Direction No. 16/2015-16 dated Jan 1, 2016 under the Foreign Exchange Management Act, 1999. Subsequently, the Company has obtained the approvals from the authorized dealer banks for reduction in receivables corresponding to discounts amounting to ₹ 330.49 crore. However, for the remaining discounts of ₹ 183.16 crore approvals are still pending. However, the management does not expect any material penalty to be levied on account of this matter and, therefore, no provision for the same has been provided in the books of accounts.
- Trade receivables as at 31 December 2023, inter alia, include outstanding from export customers aggregating to ₹ 1725.95 crore, without considering provision for expected credit loss which will be reviewed and computed on annual basis. These have been outstanding for more than 9 months and have been restated as per the RBI exchange rate as on 31 December 2023. The original amount of exports booked stands at ₹ 1467.53 crore. The Company has filed necessary applications with the requisite authority as per the regulations of the Foreign Exchange Management Act, 1999 for condonation of delays in repatriation of funds by its customers. The management is of the view that the possible penalties that may be levied, are currently unascertainable but would not be material and accordingly, no consequential adjustments have been made in the books of accounts with respect to such default.
- The status of the Company's borrowing accounts is 'Non Performing Assets' (NPA) with all the banks. Total exposure outstanding as on 31st December 2023 amounting to ₹ 3956.60 crore includes provision for interest upto 31st December 2023 (the company has however disputed the same legally) which has been calculated based on management's estimates which stands accrued but not applied by banks post NPA downgradation. Some of the banks have provided confirmation of outstanding amount including interest upto 31st December 2023, whereas some of the banks have provided figures without applied interest. Therefore provision for unapplied interest for ₹ 226.58 crore for nine months ended 31st December 2023 has been made as per the best estimates of the management. The quantum of finance cost as incorporated in the financials is to comply with the Ind AS 109. The company is disputing the alleged default and/or classification of Non Performing Asset (NPA) by the State Bank of India and has filed a Civil Suit No. 243 of 2023 before Hon'ble District Judge (Commercial-03), Patiala House Courts, New Delhi which is sub-judice. The figures in relation to interest and other amounts shown in books of accounts and Balance Sheet of the company, pertaining to secured creditors/banks are disputed amounts and interest charged by the banks are not payable by company or its directors, as the same are also disputed. These figures or amounts are not an admission of any liability of any alleged debt of secured creditors/banks. The secured creditor/SBI, UBI (with 7 other banks), Indian Bank, Punjab National Bank and IDFC First Bank have filed case no. 01/2023, case no. 08/2023, case no. 14/2023, case no. 49/2023 before Debts Recovery Tribunal No. III, New Delhi and case no. 416/2023 before Debts Recovery Tribunal No. II, New Delhi, respectively, against the company which are disputed and also being contested by the company and its Directors/Alleged Guarantors/Corporate Guarantors. Further, the company has also filed counter claims for ₹ 10,034 crores, ₹ 16,759 crores, ₹ 2,956 crores and ₹ 6,939 crores against SBI, Union Bank (and seven other banks) and against Indian Bank and Punjab National Bank respectively, before Debts Recovery Tribunal No. III, New Delhi and against IDFC First Bank for ₹ 768 crores before Debts Recovery Tribunal No. II, New Delhi. It is also clarified that previous amounts/figures shown in the Financial statements for half year of FY 2023-24, FY 2022-23, FY 2021-22 and FY 2020-21 are also in dispute as there has been breach of contract/agreement by the banks failure to adhere minutes of meetings in various JLM's between banks and Company and the figures shown in the Financial statements for half year of FY 2023-24, FY 2022-23, FY 2021-22 and FY 2020-21 are disputed figures and cannot be termed as admission of any liability of any nature whatsoever in any court of law. The Company has also treated ₹ 17.00 crore debited by lead bank on various occasions arbitrarily as disputed receivable.

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For Verification Purpose Only

PC JEWELLER LIMITED

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(7) Company's accounts have been classified as NPA with its lenders since June 2021 including State Bank of India which claims to have classified as NPA on 29 June 2021 and the Company has challenged the same in a civil suit. In the loan recall notice dated 10 January 2023 which was also issued by State Bank of India, there are two dates of classification of account(s) as NPA i.e. 24 April 2019 and 29 June 2021, and these two dates are also under challenge in civil suit before concerned court of law. In Loan Recall notice dated 10 January 2023 issued by SBI, it has been mentioned that account of Company was classified as NPA on 24 April 2019 & 29 June 2021. There cannot be two dates of NPA in same account(s). A civil suit has also been filed by company against the State Bank of India, in this regard which is pending adjudication. Its resolution process had been underway. As a part of the laid down process, after the resolution plan submitted by the Company was found to be feasible on both technical & economic parameters and the same was forwarded to two rating agencies for necessary ICE exercise. In this regard, one of the rating agency did not accord the required minimum RP4 rating to the Plan and therefore, the resolution plan of the Company could not be taken forward.

Though the Company presented an improved Resolution Plan to the Consortium, the Lead Bank (State Bank of India) moved to the Debts Recovery Tribunal-III Delhi, on 15 January 2023 against the Company seeking full recovery of its outstanding exposure. In response, the Company has gone into appeal against the same against order dated 18 January 2023 of DRT-III before Hon'ble Debts Recovery Appellate Tribunal. Meanwhile Union Bank of India along with seven other Banks (Bank of India, Indian Overseas Bank, IDBI Bank, Karur Vysya Bank, Bank of Baroda, Canara Bank & IndusInd Bank) also filed an Original Application in DRT(III), Delhi against the Company and similar action has also been initiated by the Indian Bank, IDFC First Bank and Punjab National Bank individually. These matters continue to remain sub-judice as on date.

A majority of the Lenders have also issued notices to the Company under Section 13(2) of the SARFAESI Act 2002 and which are being replied to by the Company. State Bank of India has also filed an application before Hon'ble NCLT, Delhi seeking initiation of Corporate Insolvency Resolution Process of the Company. This matter is also currently sub-judice.

This rejection of resolution plan in relation to company's borrowing exposure as well as initiation of legal action by a number of Lenders, may affect the goodwill and brand image of the Company and these events indicates that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as going concern. In this regard the writ petition i.e. W.P.(c) No.3982 of 2023 has been filed before Hon'ble Delhi High Court and the same is pending adjudication.

Therefore, in addition to replying suitably to the Banks, the Company has also approached the High Court of Delhi as mentioned above, against the SBI on various ground including the non-compliance of the Principle of Natural Justice in as much as the Company was not given any opportunity to explain its case after 02 January 2023 and unilateral decision has been taken by the respondent (SBI). High Court of Delhi has issued notice to the State Bank of India on the Company's prayer, which has been accepted by the learned counsel of the respondent. Company has also filed counter claims against the SBI, Union Bank (and seven other banks), Punjab National Bank and against Indian Bank in DRT-III Delhi as well as IDFC first bank in DRT-II Delhi seeking recovery of claim(s) on account of loss in revenue, decline in market cap, loss of reputation, status and goodwill on account of unilateral action taken by them against the Company, upon which the notice(s) have been issued to the concerned Banks.

Though there is no certainty either on the time frame or the end result of this ongoing judicial process, the Company however, continues to remain confident about a positive outcome of the same, especially its proactive action in approaching its Lenders to resolve the issue of unpaid debt with a One Time Settlement Proposal. This proposal is currently under consideration by the respective internal authorities of lenders.

The Company is therefore confident that its status as a going concern will continue to remain intact in spite of the current adversities. The Management is also confident that, considering the net asset position of the company, it will be able to realize the assets and meet the liabilities and commitments of the company in the normal course of business irrespective of the final conclusion of decision in the ongoing legal process. Hence the current position of the events does not raise any concern on its going concern status. In view of the above, the management is confident that the company will continue as a going concern and accordingly, the accompanying statement has been prepared considering Going concern assumption.

(8) In the absence of export revenues since last few quarters, there has been no separate reporting or reviews by the Chief Operating Decision Maker ("CODM") with respect to the export segment. Accordingly, the export segment has ceased to qualify as operating segment for reporting purposes as per Ind AS 108 'Operating Segments'. The CODM examines the performance from the perspective of the Company as a whole viz. 'Jewellery business' and hence there are no separate reportable segments as per Ind AS 108.

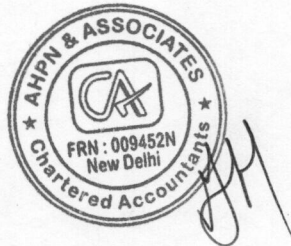
(9) Considering the uncertainty w.r.t future taxable profits, the Company has not recognised the Deferred tax assets (on net basis) during the nine months ended 31 December 2023 in accordance with Ind AS-12. The same shall be reviewed and reassessed in future period.

(10) The company during the quarter ended 31 December 2023 has shut down one owned store located at Mathura. Now the company has fifty five owned and seven franchises stores as on 31 December 2023. Currently three stores of the company located at Delhi remain temporarily shut due to ongoing court proceedings.

(11) The figures for the corresponding previous period/ year have been regrouped/rearranged wherever considered necessary to make them comparable.



Place: New Delhi
Date: 14 February 2024



For and on behalf of the Board of Directors
PC Jeweller Limited

Balram Garg
Managing Director
DIN-00032083

For Verification Purpose Only

Independent Auditor's Review Report on the Quarter ended 31st December 2023 and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**To The Board of Directors
PC Jeweller Limited
New Delhi**

1. We have reviewed the accompanying statement of unaudited Consolidated financial results of **PC Jeweller Limited** (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") for the quarter ended 31st December 2023 and year to date results from 1st April 2023 to 31st December 2023 (the "Statement") attached herewith.

2. This statement, which is the responsibility of the Holding company's management and approved by the company's board of directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind-AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 ("the Act") as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and being submitted by the Holding company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Our responsibility is to express a conclusion on the statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated 29th March 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Parent Company: PC Jeweller Limited

Subsidiaries:

1. PC Universal Private Limited; (Ceased to be Subsidiary w.e.f. 8th September 2023)
2. Luxury Products Trendsetter Private Limited;
3. PC Jeweller Global DMCC; and
4. PCJ Gems & Jewellery Limited



5. Basis for Qualified Conclusion:

(i) The Holding company during the financial year ended 31st March 2019 had provided discounts of INR 513.65 Crores to its export customers which had been adjusted against the revenues for the said year (read with Note 4 to the accompanying statement). The Holding company had initiated the process to comply with the requirements of the Master Direction on Exports of Goods and Services issued by the Reserve Bank of India. Subsequently, the Holding company has obtained the approvals from the authorized dealer banks for reduction in receivables corresponding to discounts amounting to INR 330.49 Crores.

For the remaining discounts of INR 183.16 Crores, in the absence of requisite approvals and material evidence related to such transactions, we are unable to comment on the impact, if any, of the same on the accompanying Statement.

Auditor's opinion for the year ended 31st March 2019, 31st March 2020, 31st March 2021, 31st March 2022, 31st March 2023, Quarter ended June 2023 and September 2023 were also modified in respect of this matter.

(ii) With respect to provision for the expected credit loss/impairment relating to overdue overseas Trade Receivables as required under Ind-AS 109, the management of the Holding Company reviews and computes the provision for expected credit losses on annual basis.

In view of defaults in payment obligations by the Trade Receivables on due date, non-recoveries as per the scheduled expected dates from the export receivables, initiation of legal route for recovery, non review and re-computation by the management of the Holding Company for expected credit losses during the period and in absence of clear forward looking information regarding outcome, time frame and quantum of realisability of these Trade receivables, we are unable to examine the adequacy of expected credit loss/ impairment based on provision matrix as per the requirements of Ind-AS 109 "Financial Instruments" and its consequential impact and adjustments on the accompanying statement.

Auditor's opinion for the year ended 31st March 2023, Quarter ended June 2023 and Quarter ended September 2023 was also modified in respect of this matter.

(iii) As per Note No. 6 of financial results regarding default in repayment of loans and interest to banks by the Holding Company owing to which the banks have classified the account of the Holding Company as NPA and recalled its loans and has initiated various legal actions for recovery of its dues including legal action initiated under Insolvency and Bankruptcy Act, 2016, SARFESI Act, The Recovery of Debts due to Banks and Financial Institution Act, 1993.

Further Due to rejection of the resolution plan by the lenders of the Holding Company, the lead bank has initiated the recovery proceedings through Debt Recovery Tribunal (DRT) and obtained an order to seize, take control and prepare an inventory of entire stocks of hypothecated assets to the lenders (Read with Note 7 to the accompanying statement).

In response, the Holding company has moved to the Debts Recovery Appellate Tribunal (DRAT) against the order of the DRT, and the matter is sub-judice.

Meanwhile some of the other consortium members have also filed their recovery suit in DRT against the holding company.

As per the order of DRT and DRAT inventorization and valuation of inventory of few locations was carried out and the stock lying at those location was put under courts custody.



Amount of Loan and Provision for Interests for which no confirmation/ statements have been provided to us by few banks are subject to reconciliation and subsequent adjustments.

The Inventory valuation is based on determination of estimated net realizable value or cost which is lower in accordance with the Indian Accounting Standards. We have relied upon the valuation of the Inventory as certified and determined by the management which is in accordance with the Indian Accounting Standards.

Auditor's opinion for the year ended 31st March 2023 and Quarter ended June 2023 and Quarter ended September 2023 was also modified in respect of this matter.

6. Qualified Conclusion

Based on our review conducted as above, except for the possible effects of the matters described in paragraph No. 5 nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. Material Uncertainty Related to Going Concern

We draw attention to Note 7 in the financial statements and as stated in Note 7, these events or conditions viz. Application by Financial Creditor(s) i.e. State Bank of India was filed to Initiate Corporate Insolvency Resolution Process in the matter of the Corporate Debtor (PC Jeweller Ltd.) the Holding Company under Chapter II of the Insolvency and Bankruptcy Code under Section 7 of the Insolvency and Bankruptcy Code 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules 2016 before The Hon'ble National Company Law Tribunal, New Delhi Bench At New Delhi vide Company Petition (IB) No. 421 of 2023 dated 06.06.2023 (Filed on 07.06.2023 and registered on 20.07.2023).

As per the Application Filed by SBI the total amount of default in respect of the Facilities enjoyed by the Holding Company is of INR 1180.20 Crores as on 30.04.2023 along with future interest at the Contractual rate from there on the aforesaid amount together with incidental expenses, cost, charges, penal interest etc. The Company has approached lenders to resolve the issue of unpaid debt with a One Time Settlement Proposal which is under consideration by the respective internal authorities of lenders.

Presently all the ongoing Legal Matters are sub-judice in relation to rejection of proposed resolution plan in relation to Holding company's borrowing exposure, order of DRT for initiation of full recovery proceedings on application of lead bank (SBI), issuance of recall notices by the lenders, notices under SARFAESI Act and initiation of Corporate Insolvency Resolution Process before Hon'ble NCLT (Read with Note 7 to the accompanying statement) indicates that a material uncertainty exists that may cast significant doubt on the ability of the Holding company to continue as a going concern.

The appropriateness of the going concern assumption is dependent on the Holding company's ability to settle its due from banks, outcome of CIRP proceedings and recoveries from overseas Trade Receivables to meet its short term and long term obligations as well as to establish consistent business operation.

Our conclusion is not modified in respect of this matter.



8. Emphasis of Matter

We draw attention to

(i) As per Note 5 to the accompanying statement there is delay in receipt of proceeds denominated in foreign currency against export of goods made by the Holding Company to its overseas customers aggregating to INR 1725.95 Crores (Original amount of Exports booked stood at Rs. 1467.53 Crores) as on 31st December 2023, beyond the timelines stipulated under the Foreign Exchange Management Act, 1999.

The management of the Holding Company has filed the necessary applications with the appropriate authority for condonation of such delays to regularize the default. Pending condonation of such delay by the appropriate authority, management of the Holding Company is of the view that the possible penalties that may be levied, are currently unascertainable but would not be material and accordingly, no consequential adjustments have been made to the accompanying statement with respect to such delay/default.

(ii) As per Note No. 10 due to uncertainties with respect future profits and its consequential impact on taxation thereof, the Company has not recognized the Deferred Tax assets (On net Basis).

(iii) We did not review the interim financial results of 4 subsidiaries included in the Statement, whose financial information reflects total income of INR 420.70 Crore (before consolidation adjustments), total Net Loss of INR 1.70 Crore (before consolidation adjustments) and total comprehensive Loss of INR 6.33 Crore (before consolidation adjustments) for the quarter and year to date ended 31st December 2023 as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

For A H P N and Associates

Chartered Accountants

FRN: 009452N

**FCA Navdeep Gupta**

Partner

M.No. : 091938

Place : New Delhi

Dated : 14.02.2024

UDIN : 24091938BK BZZJ 2742



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PART I

Statement of consolidated unaudited financial results for the quarter and nine months ended 31 December 2023

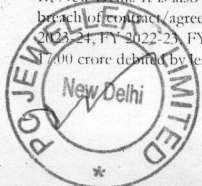
(₹ in crores except earnings per share)

S. no.	Particulars	3 months ended 31 December 2023	Preceding 3 months ended 30 September 2023	Corresponding 3 months ended 31 December 2022	9 months ended 31 December 2023	Corresponding 9 months ended 31 December 2022	Previous year ended 31 March 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from operations	40.06	449.17	854.31	556.91	2,299.31	2,472.68
II	Other income	3.42	45.07	28.52	53.42	165.23	163.25
III	Total income (I+II)	43.48	494.24	882.83	610.33	2,464.54	2,635.93
IV	Expenses						
a)	Cost of materials consumed	18.98	432.52	740.42	489.90	1,966.55	2,018.80
b)	Purchases of stock-in-trade	-	-	54.02	-	196.61	202.34
c)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	76.73	22.29	(14.76)	143.92	(232.01)	(132.54)
d)	Employee benefits expenses	6.81	8.21	15.01	24.67	43.12	56.44
e)	Finance costs	126.21	123.70	125.00	374.94	368.47	492.00
f)	Depreciation and amortization expenses	4.80	4.87	7.06	16.30	20.49	27.23
g)	Other expenses	10.60	39.80	23.27	68.14	56.77	79.59
	Total expenses (IV)	244.13	631.39	950.02	1,117.87	2,420.00	2,743.86
V	Profit/(loss) before tax (III-IV)	(200.65)	(137.15)	(67.19)	(507.55)	44.54	(107.93)
VI	Tax expense						
a)	Current tax	-	0.80	(5.76)	0.80	(56.28)	(56.28)
b)	Deferred tax	(2.67)	0.18	(0.31)	(0.62)	1.59	151.55
VII	Profit/(loss) for the period (V - VI)	(197.98)	(138.13)	(61.12)	(507.72)	99.23	(203.20)
VIII	Other comprehensive income						
(A)(i)	Items that will not be reclassified to profit/(loss)	-	-	-	-	-	0.57
(ii)	Income tax relating to items that will not be reclassified to profit/(loss)	-	-	-	-	-	(0.14)
(B)(i)	Items that will be reclassified to profit/(loss)	0.11	1.78	1.18	(4.63)	5.49	4.20
(ii)	Income tax relating to items that will be reclassified to profit/(loss)	-	-	-	-	-	-
IX	Total comprehensive income for the period (comprising profit/(loss) and other comprehensive income for the period) (VII+VIII)	(197.87)	(136.35)	(59.94)	(512.35)	104.72	(198.57)
	Net (loss)/profit attributable to:						
	Owners of the Holding Company	(197.98)	(138.13)	(61.12)	(507.72)	99.23	(203.20)
	Non-controlling interests	-	-	-	-	-	-
	Other comprehensive income attributable to:						
	Owners of the Holding Company	0.11	1.78	1.18	(4.63)	5.49	4.63
	Non-controlling interests	-	-	-	-	-	-
X	Paid-up equity share capital (face value ₹ 10/- per share)	465.40	465.40	465.40	465.40	465.40	465.40
XI	Other equity						3225.15
XII	Earnings per share : (of ₹ 10/- each)	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(annualized)
(a)	Basic (₹)	(4.25)	(2.97)	(1.31)	(10.91)	2.13	(4.37)
(b)	Diluted (₹)	(4.25)	(2.97)	(1.31)	(10.91)	2.13	(4.37)

See accompanying notes to the financial results.

Notes:

- The consolidated financial results of the Group, (comprising of PC Jeweller Limited, the Holding Company and its subsidiaries) for the quarter and the nine months ended 31 December 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14 February 2024. The statutory auditors of the Holding Company have expressed a modified opinion on these results.
- The Financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), prescribed under section 133 of the Companies Act, 2013 and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Group is engaged in the business of trade, manufacture and sale of gold, diamond, silver, precious stone, gold jewellery/items, diamond studded jewellery and silver articles of various designs/specifications. The Group manufacturing facilities are located in India.
- During the financial year ended 31 March 2019, the Holding Company had provided discounts to its export customers aggregating to ₹ 513.65 crore and had submitted the requisite applications for approval from the Authorised Dealer Banks as stipulated by the FED Master Direction No. 16/2015-16 dated Jan 1,2016 under the Foreign Exchange Management Act, 1999. Subsequently, the Holding Company has obtained the approvals from the authorized dealer banks for reduction in receivables corresponding to discounts amounting to ₹ 330.49 crore. However, for the remaining discounts of Rs. 183.16 crore approvals are still pending. However, the management does not expect any material penalty to be levied on account of this matter and, therefore, no provision for the same has been provided in the books of accounts.
- Trade receivables as at 31 December 2023, *inter alia*, include outstanding from export customers of Holding Company, aggregating to ₹ 1725.95 crore, without considering provision for expected credit loss which will be reviewed and computed on annual basis. These have been outstanding for more than 9 months restated as per the RBI exchange rate as on 31 December 2023. The original amount of exports booked stands at ₹ 1467.53 crore. The Holding Company has filed necessary applications with the requisite authority as per the regulations of the Foreign Exchange Management Act, 1999 for condonation of delays in repatriation of funds by its customers. The management is of the view that the possible penalties that may be levied, are currently unascertainable but would not be material and accordingly, no consequential adjustments have been made in the books of accounts with respect to such default.
- The status of the Holding Company's borrowing accounts is 'Non Performing Assets' (NPA) with all the banks. Total exposure outstanding as on 31st December 2023 amounting to ₹ 3956.60 crore includes provision for interest upto 31st December 2023 (the Holding Company has however disputed the same legally) which has been calculated based on management's estimates which stands accrued but not applied by banks post NPA downgradation. Some of the banks have provided confirmation of outstanding amount including interest upto 31st December 2023, whereas some of the banks have provided figures without applied interest. Therefore provision for unapplied interest for ₹ 226.58 crore for nine months ended 31st December 2023 has been made as per the best estimates of the management. The quantum of finance cost as incorporated in the financials is to comply with the Ind AS 109. The Holding Company is disputing the alleged default and/or classification of Non Performing Asset (NPA) by the State Bank of India and has filed a Civil Suit No. 243 of 2023 before Hon'ble District Judge (Commercial-03), Patiala House Courts, New Delhi which is sub-judice. The figures in relation to interest and other amounts shown in books of accounts and Balance Sheet of the Holding Company, pertaining to secured creditors/banks are disputed amounts and interest charged by the banks are not payable by Holding Company or its directors, as the same are also disputed. These figures or amounts are not an admission of any liability of any alleged debt of secured creditors/banks. The secured creditor/SBI, UBI (with 7 other banks), Indian Bank, Punjab National Bank and IDFC First Bank have filed case no. 01/2023, case no. 08/2023, case no. 14/2023, case no. 49/2023 before Debts Recovery Tribunal No. III, New Delhi and case no. 416/2023 before Debts Recovery Tribunal No. II, New Delhi, respectively, against the Holding Company which are disputed and also being contested by the Holding Company and its Directors/Alleged Guarantors/Corporate Guarantors. Further, the Holding Company has also filed counter claims for ₹ 10,034 crores, ₹ 16,759 crores, ₹ 2,956 crores and ₹ 6,939 crores against SBI, Union Bank (and seven other banks) and against Indian Bank and Punjab National Bank respectively, before Debts Recovery Tribunal No. III, New Delhi and against IDFC First Bank for ₹ 7,708 crores before Debts Recovery Tribunal No. II, New Delhi. It is also clarified that previous amounts/figures shown in the Financial statements for half year of FY 2023-24, FY 2022-23, FY 2021-22 and FY 2020-21 are also in dispute as there has been breach of contract/agreement by the banks failure to adhere minutes of meetings in various JLM's between banks and Holding Company and the figures shown in the financial statements for half year of FY 2023-24, FY 2022-23, FY 2021-22 and FY 2020-21 are disputed figures and cannot be termed as admission of any liability of any nature whatsoever in any court of law. The Holding Company has also treated ₹ 100 crore debited by lead bank on various occasions arbitrarily as disputed receivable.



For Verification Purpose Only



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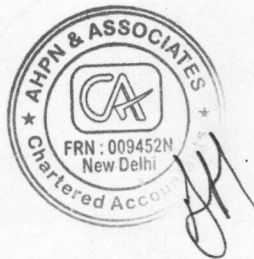
- (7) Holding Company's accounts have been classified as NPA with its lenders since June 2021 including State Bank of India which claims to have classified as NPA on 29 June 2021 and the Holding Company has challenged the same in a civil suit. In the loan recall notice dated 10 January 2023 which was also issued by State Bank of India, there are two dates of classification of account(s) as NPA i.e. 24 April 2019 and 29 June 2021, and these two dates are also under challenge in civil suit before concerned court of law. In Loan Recall notice dated 10 January 2023 issued by SBI, it has been mentioned that account of Holding Company was classified as NPA on 24 April 2019 & 29 June 2021. There cannot be two dates of NPA in same account(s). A civil suit has also been filed by Holding Company against the State Bank of India, in this regard which is pending adjudication.
- Its resolution process had been underway. As a part of the laid down process, after the resolution plan submitted by the Holding Company was found to be feasible on both technical & economic parameters and the same was forwarded to two rating agencies for necessary ICE exercise. In this regard, one of the rating agency did not accord the required minimum RP4 rating to the Plan and therefore, the resolution plan of the Holding Company could not be taken forward.
- Though the Holding Company presented an improved Resolution Plan to the Consortium, the Lead Bank (State Bank of India) moved to the Debts Recovery Tribunal-III Delhi, on 15 January 2023 against the Holding Company seeking full recovery of its outstanding exposure. In response, the Holding Company has gone into appeal against the same against order dated 18 January 2023 of DRT-III before Hon'ble Debts Recovery Appellate Tribunal. Meanwhile Union Bank of India along with seven other Banks (Bank of India, Indian Overseas Bank, IDBI Bank, Karur Vysya Bank, Bank of Baroda, Canara Bank & IndusInd Bank) also filed an Original Application in DRT(III), Delhi against the Holding Company and similar action has also been initiated by the Indian Bank, IDFC First Bank and Punjab National Bank individually. These matters continue to remain sub-judice as on date.
- A majority of the Lenders have also issued notices to the Holding Company under Section 13(2) of the SARFAESI Act 2002 and which are being replied to by the Holding Company. State Bank of India has also filed an application before Hon'ble NCLT, Delhi seeking initiation of Corporate Insolvency Resolution Process of the Holding Company. This matter is also currently sub-judice.
- This rejection of resolution plan in relation to Holding Company's borrowing exposure as well as initiation of legal action by a number of Lenders, may affect the goodwill and brand image of the Holding Company and these events indicates that a material uncertainty exists that may cast significant doubt on the ability of the Holding Company to continue as going concern. In this regard the writ petition i.e. W.P.(c) No.3982 of 2023 has been filed before Hon'ble Delhi High Court and the same is pending adjudication.
- Therefore, in addition to replying suitably to the Banks, the Holding Company has also approached the High Court of Delhi as mentioned above, against the SBI on various ground including the non-compliance of the Principle of Natural Justice in as much as the Holding Company was not given any opportunity to explain its case after 02 January 2023 and unilateral decision has been taken by the respondent (SBI). High Court of Delhi has issued notice to the State Bank of India on the Holding Company's prayer, which has been accepted by the learned counsel of the respondent. Holding Company has also filed counter claims against the SBI, Union Bank (and seven other banks), Punjab National Bank and against Indian Bank in DRT-III Delhi as well as IDFC first bank in DRT-II Delhi seeking recovery of claim(s) on account of loss in revenue, decline in market cap, loss of reputation, status and goodwill on account of unilateral action taken by them against the Holding Company, upon which the notice(s) have been issued to the concerned Banks.
- Though there is no certainty either on the time frame or the end result of this ongoing judicial process, the Holding Company however, continues to remain confident about a positive outcome of the same, especially its proactive action in approaching its Lenders to resolve the issue of unpaid debt with a One Time Settlement Proposal. This proposal is currently under consideration by the respective internal authorities of lenders.
- The Holding Company is therefore confident that its status as a going concern will continue to remain intact in spite of the current adversities. The Management is also confident that, considering the net asset position of the Holding Company, it will be able to realize the assets and meet the liabilities and commitments of the Holding Company in the normal course of business irrespective of the final conclusion of decision in the ongoing legal process. Hence the current position of the events does not raise any concern on its going concern status. In view of the above, the management is confident that the Holding Company will continue as a going concern and accordingly, the accompanying statement has been prepared considering Going concern assumption.
- (8) In the absence of export revenues since last few quarters, there has been no separate reporting or reviews by the Chief Operating Decision Maker ('CODM') with respect to the export segment. Accordingly, the export segment has ceased to qualify as operating segment for reporting purposes as per Ind AS 108 'Operating Segments'. The CODM of the group examines the performance from the perspective of the Group as a whole viz. 'Jewellery business' and hence there are no separate reportable segments as per Ind AS 108.
- (9) Considering the uncertainty w.r.t future taxable profits, the Holding Company has not recognised the Deferred tax assets (on net basis) during the nine months ended 31 December 2023 in accordance with Ind AS-12. The same shall be reviewed and reassessed in future period.
- (10) PC Universal Private Limited ceased to be subsidiary of the Holding Company w.e.f 08 September 2023 on account of increase in its paid up share capital and issue of additional shares to a third party. Consolidation of Profit & Loss Account has been done upto 07 September 2023.
- (11) The Holding Company during the quarter ended 31 December 2023 has shut down one owned store located at Mathura. Now the Holding Company has fifty five owned and seven franchises stores as on 31 December 2023. Currently three stores of the Holding Company located at Delhi remain temporarily shut due to ongoing court proceedings.
- (12) The figures for the corresponding previous period/ year have been regrouped/rearranged wherever considered necessary to make them comparable.

For and on behalf of the Board of Directors
PC Jeweller Limited

Balram Garg
Managing Director
DIN-00032083



Place: New Delhi
Date: 14 February 2024



For Verification Purpose Only