



Date: February 13, 2020

To,  
The Listing Compliance Department,  
BSE Limited,  
P. J. Tower, Dalal Street,  
Mumbai – 400 001

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

**Ref.: PC Jeweller Limited (Scrip Code: 534809, Symbol: PCJEWELLER)**

**Sub.: Standalone & Consolidated Financial Results for the quarter and nine months  
ended December 31, 2019**

Dear Sir / Madam,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the un-audited standalone and consolidated financial results of the Company for the quarter and nine months ended December 31, 2019 along with the Limited Review Reports of Statutory Auditors' thereon.



The aforesaid financial results were approved at the Board meeting held today i.e. February 13, 2020 commenced at 4:30 PM and concluded at 6:25 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**

REGD. & CORPORATE OFF: C - 54, PREET VIHAR, VIKAS MARG, DELHI - 110 092 PH: 011 - 49714971 FAX : 011 - 49714972

info@pcjeweller.com • www.pcjeweller.com • CIN: L36911DL2005PLC134929

# Walker Chandiook & Co LLP

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(Formerly Walker, Chandiook & Co)  
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## **Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date 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 of PC Jeweller Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of PC Jeweller Limited ('the Company') for the quarter ended 31 December 2019 and the year to date results for the period 01 April 2019 to 31 December 2019, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The 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, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and as per the presentation requirements of SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. 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. 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 the Standards on Auditing specified under section 143(10) of the Act, 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.



# Walker Chandiook & Co LLP

## Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of PC Jeweller Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (contd.)

4. As explained in note 4 to the accompanying Statement, the Company during the previous year ended 31 March 2019 had provided discounts of ₹ 513.65 crore to its export customers which had been adjusted against the revenues for the said year. The Company had initiated the process of complying with the requirements of the Master Circular on Exports of Goods and Services issued by the Reserve Bank of India and had filed the necessary applications with the appropriate authority for approval of such discounts, which is a pre-requisite, under the Foreign Exchange Management Act, 1999. In the absence of such approval and material evidence related to the transaction, we are unable to comment on the impact, if any, of the same on the accompanying Statement. Our opinion for the year ended 31 March 2019 and conclusion for the quarter ended 30 June 2019 and 30 September 2019 were also modified in respect of this matter.
5. Based on our review conducted as above except for the possible effects of the matter described in previous section, 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, and as per the presentation requirements of the SEBI Circular, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to note 5 to the accompanying statement regarding the delays in receipt of proceeds denominated in foreign currency against export of goods made by the Company to its overseas customers aggregating to ₹ 1,160.77 crore outstanding as on 31 December 2019, 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 but would not be material and accordingly, no consequential adjustments have been made to the accompanying financial results with respect to such delay/default. Our conclusion is not modified in respect of this matter.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

*Rajni Mundry..*

**Rajni Mundra**

Partner

Membership No.: 058644

UDIN: 20058644AAAAAI5446



**Place:** New Delhi

**Date:** 13 February 2020

PC JEWELLER LIMITED

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CIN: L36911DL2005PLC134929, Phone: 011-49714971, Fax: 011-49714972  
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PART I

Statement of standalone unaudited financial results for the quarter and nine months ended 31 December 2019

(₹ in crore)

S. no.	Particulars	3 months ended 31 December 2019	Preceding 3 months ended 30 September 2019	Corresponding 3 months ended 31 December 2018	Year to date figures for current period ended 31 December 2019	Year to date figures for the previous period ended 31 December 2018	Previous year ended 31 March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from operations	1,588.37	1,124.75	2,119.10	4,061.71	6,177.39	8,368.85
II	Other income	33.40	16.00	44.90	59.10	105.22	92.32
III	<b>Total income (I+II)</b>	<b>1,621.77</b>	<b>1,140.75</b>	<b>2,164.00</b>	<b>4,120.81</b>	<b>6,282.61</b>	<b>8,461.17</b>
IV	<b>Expenses</b>						
a)	Cost of materials consumed	1,464.97	1,262.89	2,097.16	3,815.14	5,867.45	7,925.02
b)	Purchases of stock-in-trade	17.18	2.30	10.35	20.04	11.85	12.41
c)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	(78.38)	(328.09)	(302.17)	(352.58)	(606.10)	(148.92)
d)	Employee benefits expense	15.91	17.16	30.60	55.88	87.32	112.40
e)	Finance costs	96.83	90.93	88.79	275.66	269.14	340.39
f)	Depreciation and amortization expenses	9.69	8.07	4.53	28.22	13.12	16.75
g)	Other expenses	35.32	44.42	43.00	100.83	122.52	200.36
	<b>Total expenses (IV)</b>	<b>1,561.52</b>	<b>1,097.68</b>	<b>1,972.26</b>	<b>3,943.19</b>	<b>5,765.30</b>	<b>8,458.41</b>
V	<b>Profit before tax (III-IV)</b>	<b>60.25</b>	<b>43.07</b>	<b>191.74</b>	<b>177.62</b>	<b>517.31</b>	<b>2.76</b>
VI	<b>Tax expense</b>						
a)	Current tax	17.63	15.02	53.42	59.70	151.55	23.91
b)	Deferred tax	10.53	(11.79)	(0.02)	(2.12)	(8.23)	(18.34)
VII	<b>Profit/(loss) for the period (V - VI)</b>	<b>32.09</b>	<b>39.84</b>	<b>138.34</b>	<b>120.04</b>	<b>373.99</b>	<b>(2.81)</b>
VIII	<b>Other comprehensive income</b>						
(i)	Items that will not be reclassified to profit or loss	-	-	-	-	-	0.51
(ii)	Income-tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	(0.18)
IX	<b>Total comprehensive income for the period (comprising profit and other comprehensive income for the period) (VII+VIII)</b>	<b>32.09</b>	<b>39.84</b>	<b>138.34</b>	<b>120.04</b>	<b>373.99</b>	<b>(2.48)</b>
X	<b>Paid-up equity share capital (Face value Rs 10/- per share)</b>	<b>395.00</b>	<b>395.00</b>	<b>394.65</b>	<b>395.00</b>	<b>394.65</b>	<b>394.65</b>
XI	<b>Other equity</b>						<b>3,541.84</b>
XII	<b>Earnings per share : (of Rs. 10/- each)</b>	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(annualized)
(a)	Basic (Rs.)	0.81	1.01	3.51	3.04	9.48	(0.07)
(b)	Diluted (Rs.)	0.81	1.01	3.50	3.03	9.46	(0.07)

\*Rounded off to nil

See accompanying notes to the financial results.

PART II

Segment wise revenue, results, assets and liabilities

(₹ in crore)

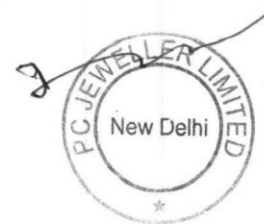
S. no.	Particulars	3 months ended 31 December 2019	Preceding 3 months ended 30 September 2019	Corresponding 3 months ended 31 December 2018	Year to date figures for current period ended 31 December 2019	Year to date figures for the previous period ended 31 December 2018	Previous year ended 31 March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Segment revenue</b>						
	Net sales/income from the segment						
(a)	Exports	231.30	93.51	300.34	450.87	1,192.74	1,439.48
(b)	Domestic	1,357.07	1,031.24	1,818.76	3,610.84	4,984.65	6,929.37
	<b>Total income from operations</b>	<b>1,588.37</b>	<b>1,124.75</b>	<b>2,119.10</b>	<b>4,061.71</b>	<b>6,177.39</b>	<b>8,368.85</b>
2	<b>Segment results</b>						
	Profit/(loss) before tax and interest from each segment						
(a)	Exports	20.05	(4.89)	45.10	19.13	154.93	(404.10)
(b)	Domestic	137.11	141.97	233.63	435.03	626.33	757.48
	<b>Total profit before finance cost and unallocable expenditure</b>	<b>157.16</b>	<b>137.08</b>	<b>278.73</b>	<b>454.16</b>	<b>781.26</b>	<b>353.38</b>
	<b>Less:</b>						
(i)	Finance costs	93.30	87.11	81.63	265.29	254.09	333.02
(ii)	Unallocable expenses, net	3.61	6.90	5.36	11.25	9.86	17.60
	<b>Net profit before tax</b>	<b>60.25</b>	<b>43.07</b>	<b>191.74</b>	<b>177.62</b>	<b>517.31</b>	<b>2.76</b>
3	<b>Segment assets</b>						
(a)	Exports	1,767.95	1,798.78	2,544.53	1,767.95	2,544.53	1,876.23
(b)	Domestic	7,186.63	7,052.33	7,156.45	7,186.63	7,156.45	7,690.25
(c)	Unallocable	345.28	353.30	356.58	345.28	356.58	347.94
	<b>Total segment assets (refer reconciliation below)</b>	<b>9,299.86</b>	<b>9,204.41</b>	<b>10,057.56</b>	<b>9,299.86</b>	<b>10,057.56</b>	<b>9,914.42</b>
	<b>Segment liabilities</b>						
(a)	Exports	1,712.80	1,722.67	2,347.82	1,712.80	2,347.82	2,505.90
(b)	Domestic	3,356.54	3,300.91	3,142.45	3,356.54	3,142.45	3,337.84
(c)	Unallocable	185.75	168.64	265.56	185.75	265.56	134.19
	<b>Total segment liabilities (refer reconciliation below)</b>	<b>5,255.09</b>	<b>5,192.22</b>	<b>5,755.83</b>	<b>5,255.09</b>	<b>5,755.83</b>	<b>5,977.93</b>

Reconciliation of segment assets and segment liabilities

Particulars	3 months ended 31 December 2019	Preceding 3 months ended 30 September 2019	Corresponding 3 months ended 31 December 2018	Year to date figures for current period ended 31 December 2019	Year to date figures for the previous period ended 31 December 2018	Previous year ended 31 March 2019
Total assets for reportable segments	9,299.86	9,204.41	10,057.56	9,299.86	10,057.56	9,914.42
Elimination of inter segment assets	(1,497.05)	(1,454.87)	(1,788.35)	(1,497.05)	(1,788.35)	(2,250.38)
Total assets as per books of account	7,802.81	7,749.54	8,269.21	7,802.81	8,269.21	7,664.04
Total liabilities for reportable segments	5,255.09	5,192.22	5,755.83	5,255.09	5,755.83	5,977.93
Elimination of inter segment liabilities	(1,497.05)	(1,454.87)	(1,788.35)	(1,497.05)	(1,788.35)	(2,250.38)
Total liabilities as per books of account	3,758.04	3,737.35	3,967.48	3,758.04	3,967.48	3,727.55



**SIGNED FOR  
IDENTIFICATION  
PURPOSES**



**PC JEWELLER LIMITED**

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**Notes:**

- (1) The standalone financials results of PC Jeweller Limited ('PCJ' or the 'Company') for the quarter and nine months ended 31 December 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 13 February 2020. The statutory auditors of the Company have expressed a modified review conclusion on the above mentioned results.
- (2) The above results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ('Ind-AS') 34, Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 and as per the presentation requirements of SEBI circular CIR/CFD/FAC/62/2016 dated 5 July 2016 and other accounting principles generally accepted in India.
- (3) The Company is engaged in the business of manufacture and sale of gold jewellery/items, diamond studded jewellery and silver articles of various designs/specifications. The Company's manufacturing facilities are located in India. Segment level information as per Ind AS 108 'Operating Segments' is provided for the different geographical areas i.e. within and outside India represented by domestic and exports respectively, in line with the review of operating results by the chief operating decision maker.
- (4) During the previous 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 by the Master Circular on Exports of Goods and Services - Master Circular No.14/2014-15 under the Foreign Exchange Management Act, 1999. However, these approvals are still awaited from the said authorities. Further, 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.
- (5) Trade receivables as at 31 December 2019, *inter alia*, include outstanding from export customers aggregating to ₹ 1,160.77 crore (net of discount) which have been outstanding for more than 9 months. The Company had filed necessary applications with the requisite authority 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 delay/default.
- (6) During the nine month period ended 31 December 2019, the Company has elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Company has recognised provision for income-tax for the nine month period ended 31 December 2019 basis the revised rates resulting in a reduction in current tax expense to the extent of ₹ 13.01 crore. The Company has also remeasured its deferred tax asset on the basis of the rate prescribed in the said section resulting in a reversal of net deferred tax asset to the extent of ₹ 14.47 crore. The total resultant net impact of the aforementioned tax increase of ₹ 1.46 crore has been incorporated in these financial results.
- (7) The Company has adopted Ind AS 116, effective annual reporting period beginning 1 April 2019. Basis the exemptions provided, the Company has elected not to apply the requirements of the standard to short term leases. The Company has applied the standard to its remaining leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (i.e. 1 April 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019. This has resulted in recognising a right-of-use asset amounting to ₹ 115.54 crore and a corresponding lease liability amounting to ₹ 148.21 crore along with the reversal of lease equalisation reserve of ₹ 2.46 crore by adjusting retained earnings, net of taxes, by ₹ 19.65 crore (including the impact of deferred tax created amounting to ₹ 10.55 crore) as at 1 April 2019. In these standalone financial results for the quarter and nine months ended 31 December 2019, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-of-use asset and finance cost for interest accrued on lease liability.

Place: New Delhi  
Date: 13 February 2020

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



**Balram Garg**  
Managing Director  
DIN-00032083



**SIGNED FOR  
IDENTIFICATION  
PURPOSES**

# Walker Chandiook & Co LLP

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## **Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date 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 of PC Jeweller Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of PC Jeweller Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 31 December 2019 and the consolidated year to date results for the period 1 April 2019 to 31 December 2019, 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), including relevant circulars issued by the SEBI from time to time. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 31 December 2018 and the corresponding period from 1 April 2018 to 31 December 2018 as reported in the Statement have been approved by the Holding Company's Board of Directors but have not been subjected to audit or review.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and as per the presentation requirements of SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. 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. 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 the Standards on Auditing specified under section 143(10) of the Act, 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.





## Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of PC Jeweller Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (contd.)

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

4. As explained in note 4 to the accompanying Statement, the Holding Company during the previous year ended 31 March 2019 had provided discounts of ₹ 513.65 crore to its export customers which had been adjusted against the revenues for the said year. The Holding Company had initiated the process of complying with the requirements of the Master Circular on Exports of Goods and Services issued by the Reserve Bank of India and had filed the necessary applications with the appropriate authority for approval of such discounts, which is a pre-requisite, under the Foreign Exchange Management Act, 1999. In the absence of such approval and material evidence related to the transaction, we are unable to comment on the impact, if any, of the same on the accompanying Statement. Our opinion for the year ended 31 March 2019 and conclusion for the quarter ended 30 June 2019 and 30 September 2019 were also modified in respect of this matter.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 7 below, except for the possible effects of the matter described in the previous section, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and as per the presentation requirements of the SEBI Circular and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to:
  - (a) note 5(a) to the accompanying statement regarding the delays in receipt of proceeds denominated in foreign currency against export of goods made by the Holding Company to its overseas customers aggregating to ₹ 1,160.77 crore outstanding as on 31 December 2019, 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 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 financial results with respect to such delay/default. Our conclusion is not modified in respect of this matter.; and
  - (b) note 5(b) to the accompanying Statement and the following Emphasis of Matter paragraph given by another firm of chartered accountants vide their report dated 12 February 2020 on the financial results of PC Universal Private Limited, a subsidiary of the Holding Company which has been reproduced by us as under:

We draw attention to delays in receipt of export proceeds made by the Company to its overseas customers aggregating to ₹ 105.34 crore beyond the timelines stipulated under the Foreign Exchange Management Act 1999. The management of the Company represented that the Company is in the process of regularizing the defaults and has filed



# Walker Chandiook & Co LLP

## Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of PC Jeweller Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (contd.)

the necessary applications with the appropriate authority for condonation of such delays. However, approvals for the same are awaited. Management is of the view that the possible penalties etc. which may be levied for these contraventions are unascertainable but would not be material and accordingly, no consequential adjustments have been made to the accompanying financial statements. Our conclusion is not modified in respect of this matter.

7. We did not review the interim financial results of 4 subsidiaries included in the Statement, whose financial information reflects total revenues of ₹ 17.16 crore and ₹ 42.95 crore, total net loss after tax of ₹ 4.01 crore and ₹ 14.35 crore, total comprehensive loss of ₹ 4.01 crore and ₹ 14.35 crore, for the quarter and nine-month period ended on 31 December 2019, respectively, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review 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.
8. The Statement includes the interim financial information of 2 subsidiaries, which have not been reviewed by their auditors, whose interim financial information reflects total revenues of ₹ 92.23 crore and ₹ 262.02 crore, net profit after tax of ₹ 5.33 crore and ₹ 8.65 crore, total comprehensive income of ₹ 6.84 crore and ₹ 12.74 crore for the quarter and nine-month period ended 31 December 2019 respectively, as considered in the Statement and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), read with SEBI Circular, in so far as it relates to the aforesaid subsidiaries, are based solely on such unreviewed interim financial information. According to the information and explanations given to us by the management, these interim financial information are not material to the Group. Our conclusion is not modified in respect of this matter.

### For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

*Rajni Mundy..*

**Rajni Mundra**

Partner

Membership No. 058644

UDIN: 20058644AAAAAH3347



Place: New Delhi

Date: 13 February 2020



# Walker ChandioK &Co LLP

**Annexure 1 to the Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of PC Jeweller Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

## **Annexure 1**

### **List of subsidiaries included in the Statement**

1. PC Universal Private Limited;
2. Transforming Retail Private Limited;
3. Luxury Products Trendsetter Private Limited;
4. PC Jeweller Global DMCC;
5. Comercializadora Internacional PC Jeweller International S.A.S; and
6. PCJ Gems & Jewellery Limited



PC JEWELLER LIMITED

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Website: www.pcjeweller.com, email: investors@pcjeweller.com

PART I

Statement of consolidated unaudited financial results for the quarter and nine months ended 31 December 2019

(₹ in crore)

S. no.	Particulars	3 months ended 31 December 2019	Preceding 3 months ended 30 September 2019	Corresponding 3 months ended 31 December 2018	Year to date figures for current period ended 31 December 2019	Year to date figures for the previous period ended 31 December 2018	Previous year ended 31 March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from operations	1,668.46	1,212.19	2,194.73	4,292.10	6,432.37	8,679.96
II	Other income	35.40	15.28	39.83	56.37	102.71	84.32
III	<b>Total income (I+II)</b>	<b>1,703.86</b>	<b>1,227.47</b>	<b>2,234.56</b>	<b>4,348.47</b>	<b>6,535.08</b>	<b>8,764.28</b>
IV	<b>Expenses</b>						
a)	Cost of materials consumed	1,562.45	1,343.05	2,173.40	4,051.99	6,006.03	8,109.49
b)	Purchases of stock-in-trade	22.98	3.97	16.21	31.47	22.55	25.62
c)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	(104.84)	(328.03)	(314.69)	(379.81)	(528.06)	(61.73)
d)	Employee benefits expense	17.34	19.34	32.11	61.11	93.84	120.29
e)	Finance costs	96.90	91.01	90.57	275.89	273.83	345.50
f)	Depreciation and amortization expenses	10.39	8.70	5.10	30.19	14.76	18.90
g)	Other expenses	35.82	41.69	46.53	102.12	131.40	204.21
	<b>Total expenses (IV)</b>	<b>1,641.04</b>	<b>1,179.73</b>	<b>2,049.23</b>	<b>4,172.96</b>	<b>6,014.35</b>	<b>8,762.28</b>
V	<b>Profit before tax (III-IV)</b>	<b>62.82</b>	<b>47.74</b>	<b>185.33</b>	<b>175.51</b>	<b>520.73</b>	<b>2.00</b>
VI	<b>Tax expense</b>						
a)	Current tax	17.63	15.02	53.43	59.70	151.56	23.92
b)	Deferred tax	9.58	(13.66)	(1.13)	(5.38)	(11.47)	(22.53)
VII	<b>Profit for the period (V - VI)</b>	<b>35.61</b>	<b>46.38</b>	<b>133.03</b>	<b>121.19</b>	<b>380.64</b>	<b>0.61</b>
VIII	<b>Other comprehensive income</b>						
(A)(i)	Items that will not be reclassified to profit or loss	-	-	-	-	-	0.55
(ii)	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	(0.19)
(B)(i)	Items that will be reclassified to profit or loss	1.50	3.49	7.70	4.08	1.82	(0.82)
(ii)	Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
IX	<b>Total comprehensive income for the period (comprising profit and other comprehensive income for the period) (VII+VIII)</b>	<b>37.11</b>	<b>49.87</b>	<b>125.33</b>	<b>125.27</b>	<b>382.46</b>	<b>0.15</b>
X	<b>Paid-up equity share capital (Face value Rs 10/- per share)</b>	<b>395.00</b>	<b>395.00</b>	<b>394.65</b>	<b>395.00</b>	<b>394.65</b>	<b>394.65</b>
XI	<b>Other equity</b>						<b>3,526.01</b>
XII	<b>Earnings per share : (of Rs. 10/- each)</b>	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(annualized)
(a)	Basic (Rs.)	0.90	1.18	3.37	3.07	9.65	0.02
(b)	Diluted (Rs.)	0.90	1.17	3.36	3.06	9.63	0.02

\*Rounded off to nil

See accompanying notes to the financial results.

PART II

Segment wise revenue, results, assets and liabilities

(₹ in crore)

S. no.	Particulars	3 months ended 31 December 2019	Preceding 3 months ended 30 September 2019	Corresponding 3 months ended 31 December 2018	Year to date figures for current period ended 31 December 2019	Year to date figures for the previous period ended 31 December 2018	Previous year ended 31 March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Segment revenue</b>						
	Net sales/income from the segment						
(a)	Exports	318.93	195.20	395.24	708.30	1,468.77	1,771.85
(b)	Domestic	1,349.53	1,016.99	1,799.49	3,583.80	4,963.60	6,908.11
	<b>Total income from operations</b>	<b>1,668.46</b>	<b>1,212.19</b>	<b>2,194.73</b>	<b>4,292.10</b>	<b>6,432.37</b>	<b>8,679.96</b>
2	<b>Segment results</b>						
	Profit/(loss) before tax and interest from each segment						
(a)	Exports	26.06	(0.60)	48.87	28.72	181.05	(387.33)
(b)	Domestic	137.43	142.43	235.78	427.25	618.88	745.05
	<b>Total profit before finance cost and unallocable expenditure</b>	<b>163.49</b>	<b>141.83</b>	<b>284.65</b>	<b>455.97</b>	<b>799.93</b>	<b>357.72</b>
	<b>Less:</b>						
(i)	Finance costs	93.37	87.19	83.40	265.52	258.78	338.12
(ii)	Unallocable expenses, net	7.30	6.90	15.92	14.94	20.42	17.60
	<b>Net profit before tax</b>	<b>62.82</b>	<b>47.74</b>	<b>185.33</b>	<b>175.51</b>	<b>520.73</b>	<b>2.00</b>
3	<b>Segment assets</b>						
(a)	Exports	2,034.30	2,059.70	2,854.70	2,034.30	2,854.70	2,132.77
(b)	Domestic	7,207.69	7,076.49	5,395.78	7,207.69	5,395.78	7,712.54
(c)	Unallocable	53.32	58.14	50.67	53.32	50.67	54.52
	<b>Total segment assets (refer reconciliation below)</b>	<b>9,295.31</b>	<b>9,194.33</b>	<b>8,301.15</b>	<b>9,295.31</b>	<b>8,301.15</b>	<b>9,899.83</b>
	<b>Segment liabilities</b>						
(a)	Exports	1,714.43	1,724.49	2,388.91	1,714.43	2,388.91	2,628.55
(b)	Domestic	3,361.24	3,304.90	1,357.30	3,361.24	1,357.30	3,216.43
(c)	Unallocable	185.75	168.66	265.56	185.75	265.56	134.19
	<b>Total segment liabilities (refer reconciliation below)</b>	<b>5,261.42</b>	<b>5,198.05</b>	<b>4,011.77</b>	<b>5,261.42</b>	<b>4,011.77</b>	<b>5,979.17</b>

Reconciliation of segment assets and segment liabilities

(₹ in crore)

Particulars	3 months ended 31 December 2019	Preceding 3 months ended 30 September 2019	Corresponding 3 months ended 31 December 2018	Year to date figures for current period ended 31 December 2019	Year to date figures for the previous period ended 31 December 2018	Previous year ended 31 March 2019
Total assets for reportable segments	9,295.31	9,194.33	8,301.15	9,295.31	8,301.15	9,899.83
Elimination of inter segment assets	(1,497.05)	(1,454.88)	(1,788.35)	(1,497.05)	(1,788.35)	(2,250.38)
Total assets as per books of account	7,798.26	7,739.45	6,512.80	7,798.26	6,512.80	7,649.45
Total liabilities for reportable segments	5,261.42	5,198.05	4,011.77	5,261.42	4,011.77	5,979.17
Elimination of inter segment liabilities	(1,497.05)	(1,454.88)	(1,788.35)	(1,497.05)	(1,788.35)	(2,250.38)
Total liabilities as per books of account	3,764.37	3,743.17	2,223.42	3,764.37	2,223.42	3,728.79



PC JEWELLER LIMITED


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Notes:

- (1) The consolidated financials results of the Group, (comprising of PC Jeweller Limited, the Holding Company and its subsidiaries) for the quarter and nine months ended 31 December 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 13 February 2020. The statutory auditors of the Holding Company have expressed a modified review conclusion on the above mentioned results.
- (2) The above results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ('Ind-AS') 34, Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 and as per the presentation requirements of SEBI circular CIR/CFD/FAC/62/2016 dated 5 July 2016 and other accounting principles generally accepted in India.
- (3) The Group is engaged in the business of manufacture and sale of gold jewellery/items, diamond studded jewellery and silver articles of various designs/specifications. Segment level information as per Ind AS 108 'Operating Segments' is provided for the different geographical areas i.e. within and outside India represented by domestic and exports respectively, in line with the review of operating results by the chief operating decision maker.
- (4) During the previous 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 Master Circular on Exports of Goods and Services - Master Circular No.14/2014-15 under the Foreign Exchange Management Act, 1999. However, these approvals are still awaited from the said authorities. Further, 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.
- (5) Trade receivables as at 31 December 2019, *inter alia*, include outstanding from export customers of:
  - (a) the Holding Company, aggregating to ₹ 1,160.77 crore (net of discount) which have been outstanding for more than 9 months. The Holding Company had filed necessary applications with the requisite authority 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 delay/default.
  - (b) a subsidiary company, aggregating to ₹ 105.34 crore which has been outstanding for more than 9 months. The subsidiary company has filed necessary applications with the requisite authority 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 delay/default.
- (6) During the nine month period ended 31 December 2019, the Holding Company has elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Holding Company has recognised provision for income-tax for the nine month period ended 31 December 2019 basis the revised rates resulting in a reduction in current tax expense to the extent of ₹ 13.01 crore. The Holding Company has also remeasured its deferred tax asset on the basis of the rate prescribed in the said section resulting in a reversal of net deferred tax asset to the extent of ₹ 14.47 crore. The total resultant net impact of the aforementioned tax increase of ₹ 1.46 crore has been incorporated in these financial results.
- (7) The Group has adopted Ind AS 116, effective annual reporting period beginning 1 April 2019. Basis the exemptions provided, the Group has elected not to apply the requirements of the standard to short term leases. The Group has applied the standard to its remaining leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (i.e. 1 April 2019). Accordingly, the Group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019. This has resulted in recognising a right-of-use asset amounting to ₹ 118.02 crore and a corresponding lease liability amounting to ₹ 145.34 crore along with the reversal of lease equalisation reserve of ₹ 2.46 crore by adjusting retained earnings, net of taxes, by ₹ 19.94 crore (including the impact of deferred tax created amounting to ₹ 10.65 crore) as at 1 April 2019. In these consolidated financial results for the quarter and nine months ended 31 December 2019, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-of-use asset and finance cost for interest accrued on lease liability.

Place: New Delhi  
Date: 13 February 2020

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

  
Balram Garg  
Managing Director  
DIN-00032083



**SIGNED FOR  
IDENTIFICATION  
PURPOSES**