



Date: 30/05/2024

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. May 30, 2024 has, inter-alia, considered and approved audited standalone and consolidated financial results of the Company for the quarter and year ended March 31, 2024 and taken note of the audit reports issued thereon by statutory auditor.


Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the following:


- i) Audited standalone and consolidated financial results of the Company for the quarter and year ended March 31, 2024 alongwith statutory auditors reports thereon; and
- ii) Statements on impact of audit qualifications on the standalone and consolidated financial results.

The Board meeting commenced at ...6:00 PM... and concluded at ...6:55 PM...

Kindly take the same on record.

Yours sincerely,  
For **PC Jeweller Limited**

  
(VIJAY PANWAR)  
Company Secretary



**Encl.:** As above

**PC Jeweller Limited**

**Independent Auditor's Report on the Standalone Annual Financial Results of the company 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. Qualified Opinion**

We have audited the accompanying Statement of Standalone Financial Results of PC Jeweller Limited (the "Company") for the year ended 31 March, 2024 (the "Statement") attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

**2. In our opinion and to the best of our information and according to the explanations given to us, the statement:**

(i) Presented in accordance with the requirements of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended; except for the possible effects of the matter described in paragraph 4 below; and

(ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued there under, and other accounting principles generally accepted in India, of the standalone net loss after tax and total comprehensive loss and other financial information of the company for the year ended 31 March, 2024 except for the possible effects of the matter described in paragraph 4 below.

**3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph '(a) of Auditor's Responsibilities section below' We are independent of the Company in accordance with the Code of ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial results for the year ended March 31, 2024 under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.**

**4. Basis for Qualified Opinion:**

(i) The company during the financial year ended 31<sup>st</sup> 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 5 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 ascertain any consequential effect of the above, if any, of the same on the accompanying Statement.

Auditor's opinion for the year ended 31<sup>st</sup> March 2019, 31<sup>st</sup> March 2020, 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2023, Quarter ended June 2023, September 2023 and December 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 of company as required under Ind-As 109, (read with Note 6 to the accompanying statement). Trade receivables as at 31<sup>st</sup> March 2024, inter alia, include outstanding from export customers aggregating to ₹ 1467.61 crore. The export receivables have been outstanding for more than 9 months and have been restated as per the RBI exchange rate as on 31<sup>st</sup> March 2024. 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. However, as a mark of prudent accounting practices the company has computed and applied cumulative ECL on the outstanding export receivables of ₹ 263.68 crore as on 31<sup>st</sup> March 2024. Despite no realization as per scheduled expected dates from the export receivables and considering the initiation of legal route or recovery during the year, we are unable to examine adequacy of the provision of expected credit loss and its consequential impact and adjustments on the accompanying statement.

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

- (iii) The company inventory lying at few locations is under court's custody with effect from Jan'-23 as a consequence of order passed by the Hon'ble DRT/ DRAT and there is no change in the current status as on the date of Balance Sheet date. Accordingly, the physical verification/ inspection of the inventory at these locations could not be conducted neither by the management nor by the auditors as on the Balance Sheet date. Hence 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 31<sup>st</sup> March 2023, Quarter ended June 2023 and Quarter ended September 2023 and Quarter ended December 2023 was also modified in respect of this matter.

#### 5. Material Uncertainty Related to Going Concern

We draw attention to Note 8 in the financial statements and as stated in Note 8, 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.



**7. Responsibilities of Management and those charged with Governance for Standalone Annual Financial Results**

This Statement, which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31<sup>st</sup> 2024, has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31<sup>st</sup> ,2024 that give a true and fair view of the net Loss and other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error' In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

**8. Auditor's Responsibilities****Audit of the Standalone Financial Results for the year ended March 31<sup>st</sup>, 2024**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31<sup>st</sup> ,2024 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

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

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error/ as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, 'based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in

- i) planning the scope of our audit work and in evaluating the results of our work; and
- ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results'

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

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

#### 9. Other Matter

We draw attention to

1. The Statement includes the results for the Quarter ended 31<sup>st</sup> March, 2024 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
2. 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

#### For A H P N and Associates

Chartered Accountants

FRN: 009452N

**CA Navdeep Gupta**

Partner

M.No. : 091938

Place : New Delhi

Dated : 30/05/2024

UDIN : 24091938 BKCAAN9249



## 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 audited financial results for the quarter and year ended 31 March 2024

(₹ in crores except earnings per share)

S. no.	Particulars	3 months ended 31 March 2024	Preceding 3 months ended 31 December 2023	Corresponding 3 months ended 31 March 2023	Year ended 31 March 2024	Previous year ended 31 March 2023
		(Audited) (Refer note 3)	(Unaudited)	(Audited) (Refer note 3)	(Audited)	(Audited)
I	Revenue from operations	48.49	40.05	173.24	189.45	2,359.46
II	Other income	13.96	3.58	(8.34)	43.85	147.85
III	<b>Total income (I+II)</b>	<b>62.45</b>	<b>43.63</b>	<b>164.90</b>	<b>233.30</b>	<b>2,507.31</b>
IV	<b>Expenses</b>					
a)	Cost of materials consumed	33.21	18.98	56.94	121.34	2,013.01
b)	Purchases of stock-in-trade	-	-	0.61	-	95.00
c)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	8.46	76.75	99.92	158.45	(117.15)
d)	Employee benefits expenses	6.31	6.71	12.64	30.46	53.44
e)	Finance costs	129.61	126.21	123.25	504.53	491.69
f)	Depreciation and amortization expenses	3.90	4.64	6.43	19.69	25.85
g)	Other expenses	4.93	10.64	122.87	48.10	190.31
IV	<b>Total expenses (IV)</b>	<b>186.42</b>	<b>243.93</b>	<b>422.66</b>	<b>882.57</b>	<b>2,752.15</b>
V	<b>Profit/(loss) before tax (III-IV)</b>	<b>(123.97)</b>	<b>(200.30)</b>	<b>(257.76)</b>	<b>(649.27)</b>	<b>(244.84)</b>
VI	<b>Tax expense</b>					
a)	Current tax	-	-	-	-	(56.28)
b)	Deferred tax	-	-	150.19	-	150.55
VII	<b>Profit/(loss) for the period (V - VI)</b>	<b>(123.97)</b>	<b>(200.30)</b>	<b>(407.95)</b>	<b>(649.27)</b>	<b>(339.11)</b>
VIII	<b>Other comprehensive income</b>					
(A)(i)	Items that will not be reclassified to profit/(loss)	2.15	-	0.61	2.15	0.61
(ii)	Income-tax relating to items that will not be reclassified to profit/(loss)	-	-	(0.15)	-	(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	<b>Total comprehensive income for the period (comprising profit/(loss) and other comprehensive income for the period) (VII+VIII)</b>	<b>(121.82)</b>	<b>(200.30)</b>	<b>(407.49)</b>	<b>(647.12)</b>	<b>(338.65)</b>
X	<b>Paid-up equity share capital (face value ₹ 10/- per share)</b>	<b>465.40</b>	<b>465.40</b>	<b>465.40</b>	<b>465.40</b>	<b>465.40</b>
XI	<b>Other equity</b>				2,432.53	3,079.65
XII	<b>Earnings per share : (of ₹ 10/- each)</b>	(not annualized)	(not annualized)	(not annualized)	(annualized)	(annualized)
(a)	Basic (₹)	(2.66)	(4.30)	(8.77)	(13.95)	(7.29)
(b)	Diluted (₹)	(2.66)	(4.30)	(8.77)	(13.95)	(7.29)

See accompanying notes to the financial results.



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**PART II**  
**Statement of standalone assets and liabilities**

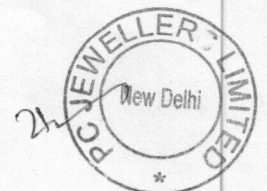
(₹ in crore)

Particulars	As at	As at
	31 March 2024	31 March 2023
	(Audited)	(Audited)
<b>A ASSETS</b>		
<b>1 Non-current assets</b>		
a) Property, plant and equipment	15.07	20.89
b) Capital work-in-progress	-	0.70
c) Right-of-use assets	45.14	81.99
d) Other intangible assets	0.67	0.78
e) Financial assets		
i) Investments	133.93	133.93
ii) Trade receivables	1,289.92	1,155.28
iii) Loans	17.35	17.85
iv) Other financial assets	10.82	26.44
f) Deferred tax assets (net)	-	-
g) Other non-current assets	3.13	5.82
<b>Total non-current assets</b>	<b>1,516.03</b>	<b>1,443.68</b>
<b>2 Current assets</b>		
a) Inventories	5,462.42	5,621.81
b) Financial assets		
i) Investments	2.52	2.22
ii) Trade receivables	182.48	323.95
iii) Cash and cash equivalents	2.90	40.24
iv) Bank balance other than (iii) above	0.16	0.17
v) Loans	14.15	14.23
vi) Other financial assets	6.02	5.49
c) Other current assets	48.96	38.30
<b>Total current assets</b>	<b>5,719.61</b>	<b>6,046.41</b>
<b>Total assets</b>	<b>7,235.64</b>	<b>7,490.09</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
a) Equity share capital	465.40	465.40
b) Other equity	2,432.53	3,079.65
<b>Total equity</b>	<b>2,897.93</b>	<b>3,545.05</b>
<b>LIABILITIES</b>		
<b>2 Non-current liabilities</b>		
a) Financial liabilities		
i) Borrowings	-	-
ii) Lease liabilities	43.26	76.31
b) Provisions	2.89	4.07
<b>Total non-current liabilities</b>	<b>46.15</b>	<b>80.38</b>
<b>3 Current liabilities</b>		
a) Financial liabilities		
i) Borrowings	4,086.85	3,630.38
ii) Lease liabilities	19.91	29.70
iii) Trade payables		
-Total outstanding dues of micro enterprises and small enterprises; and	0.14	1.98
-Total outstanding dues of creditors other than micro enterprises and small enterprises	14.00	16.24
iv) Other financial liabilities [other than those specified in item (c)]	57.24	51.90
b) Other current liabilities	30.05	50.41
c) Provisions	2.11	2.65
d) Current tax liabilities (net)	81.26	81.40
<b>Total current liabilities</b>	<b>4,291.56</b>	<b>3,864.66</b>
<b>Total liabilities</b>	<b>4,337.71</b>	<b>3,945.04</b>
<b>Total equity and liabilities</b>	<b>7,235.64</b>	<b>7,490.09</b>

See accompanying notes to the financial results



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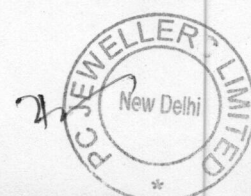
## PC JEWELLER LIMITED

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PART III Standalone cash flow statement		(₹ in crore)	
S. no.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
		(Audited)	(Audited)
<b>A</b>	<b>Cash flow from operating activities:</b>		
	Profit/(Loss) before tax	(649.27)	(244.84)
	<b>Adjustments for:</b>		
	Depreciation and amortisation expenses	19.69	25.85
	Interest income on fixed deposit	(0.06)	(1.21)
	Interest income on loans given to subsidiaries and body corporate	(6.68)	(7.21)
	Net Loss on disposal of property, plant and equipment	0.75	0.02
	Net (Profit)/ Loss on FVTPL from investments	(0.31)	0.01
	Finance costs	504.53	491.69
	Unwinding of discount on security deposits	1.15	(0.16)
	Discounting of rental expenses as per Ind-As 116	(25.97)	(37.49)
	Unrealised gain on foreign exchange	(23.86)	(132.21)
	Actuarial loss forming part of other comprehensive income	2.15	0.61
	Adjustment due to fair valuation of gold loan at unfixed prices	-	(1.61)
	Gain on partial/full termination or modification of leases	(4.36)	(2.53)
	Provision for impairment of accrued interest on loan	6.04	105.08
	Provision for impairment of loan to others written back	(4.32)	-
	Provision for expected credit loss for trade receivables	1.09	11.96
	<b>Operating Profit/(loss) before working capital changes</b>	<b>(179.43)</b>	<b>207.96</b>
	<b>Adjustments for:</b>		
	(Increase)/decrease in inventories	159.39	(105.59)
	(Increase)/decrease in financial assets	50.76	(2.54)
	(Increase)/decrease in non-financial assets	(7.96)	12.31
	(Increase)/decrease in trade receivables	29.76	(12.41)
	Increase/(decrease) in trade payables	(4.25)	2.82
	Increase/(decrease) in financial liabilities	(41.60)	11.78
	Increase/(decrease) in non-financial liabilities	(20.36)	(25.76)
	Increase/(decrease) in provisions	(1.73)	(0.10)
	<b>Cash generated from/(used in) operating activities</b>	<b>(15.42)</b>	<b>88.48</b>
	Direct taxes (paid)/ refunded	-	7.87
	<b>Net cash generated from/(used in) operating activities</b>	<b>(15.42)</b>	<b>96.35</b>
<b>B</b>	<b>Cash flow from investing activities:</b>		
	Purchase of property, plant and equipment including capital advances	-	(1.84)
	Proceeds from disposal of property, plant and equipment	1.87	0.05
	Redemption/(purchase) of current investments, net	-	0.26
	Loans repaid by body corporate including subsidiary companies	4.82	0.77
	Interest received	0.70	2.22
	Redemption of fixed deposits, net	0.03	36.31
	<b>Net cash generated from investing activities</b>	<b>7.42</b>	<b>37.77</b>
<b>C</b>	<b>Cash flow from financing activities:</b>		
	Interest paid	(29.34)	(114.68)
	<b>Net cash (used in)/ generated from financing activities</b>	<b>(29.34)</b>	<b>(114.68)</b>
<b>D</b>	<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(37.34)</b>	<b>19.44</b>
<b>E</b>	<b>Cash and cash equivalents as at the beginning of the year</b>	<b>40.24</b>	<b>20.80</b>
<b>F</b>	<b>Cash and cash equivalents as at the end of the year</b>	<b>2.90</b>	<b>40.24</b>
	<b>Components of cash and cash equivalents:</b>		
	Balances with scheduled banks in current accounts	2.49	36.35
	Cheques and drafts on hand	-	-
	Cash on hand	0.41	3.89
	Balance with banks in deposit accounts with original maturity upto three months	-	-
		<b>2.90</b>	<b>40.24</b>

The above standalone cash flow statement has been prepared under the indirect method as set out in Ind AS 7, 'Statement of cash flows'.

See accompanying notes to the financial results



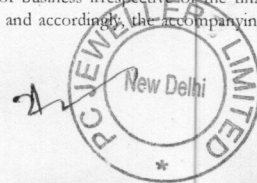
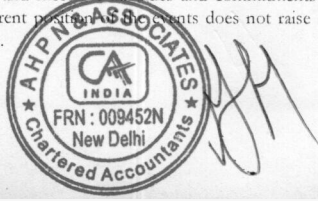


## PC JEWELLER LIMITED

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### Notes:

- (1) The standalone audited financial results of PC Jeweller Limited ('PCJ' or the 'Company') for the quarter and year ended 31 March 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30 May 2024. The statutory auditors of the Company have expressed a modified audit opinion on these results.
- (2) 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.
- (3) Figures for the quarters ended 31 March 2024 and 31 March 2023 represents the balancing figures between audited figures for the full financial year and published year to date figures upto the third quarter of the respective financial years.
- (4) 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.
- (5) 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 by the FED Master Direction No. 16/2015-16 dated January 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. The management however, 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.
- (6) Trade receivables as at 31 March 2024, inter alia, include outstanding from export customers aggregating to ₹ 1467.61 crore. The export receivables have been outstanding for more than 9 months and have been restated as per the RBI exchange rate as on 31 March 2024. 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 and are not expected to be material and accordingly, no consequential adjustments have been made in the books of accounts with respect to such default. However, as a mark of prudent accounting practices the company has computed and applied cumulative ECL (expected credit loss) on the outstanding export receivables of ₹ 263.68 crore as on 31.03.2024.
- (7) The status of the Company's borrowing accounts continues to remain 'Non Performing Assets' (NPA) with all the banks (including the lead bank SBI, which is contested legally by the company). Total exposure outstanding with Banks/ FIs as on 31st March 2024 includes provision for interest upto 31st March 2024 (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 March 2024, whereas some of the banks have provided figures without applied interest. Therefore provision for unapplied interest for ₹ 308.03 crore for year ended 31st March 2024 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 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. Hence, these figures or amounts are not an admission of any liability of any alleged debt of secured creditors/banks.  
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 Lead Bank (State Bank of India) moved the Debts Recovery Tribunal-III Delhi, on 15 January 2023 against the Company seeking full recovery of its outstanding exposure and DRT-III Delhi, passed an ex-parte order on 18th of January 2023. In response, the Company has gone into appeal against the aforesaid order dated 18 January 2023 of DRT-III Delhi before Hon'ble Debts Recovery Appellate Tribunal, Delhi. 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, Delhi and case no. 416/2023 before Debts Recovery Tribunal No. II, Delhi, respectively, against the company which are disputed and also being contested by the company and its Directors/Alleged Guarantors/Corporate Guarantors. All these matters continue to remain sub-judice as on date. 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, Delhi and against IDFC First Bank for ₹ 768 crores before Debts Recovery Tribunal No. II, Delhi. It is therefore again clarified that any amounts/figures shown earlier in the Financial statements for half year and nine months of FY 2023-24, FY 2022-23, FY 2021-22 and FY 2020-21 are in dispute as there has been breach of contract/agreement by the banks, failure to adhere to the minutes of meetings in various JLM's between banks and Company and hence 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.
- (8) A majority of the Lenders have also issued notices to the Company under Section 13(2) of the SARFAESI Act 2002 and which have been replied to by the Company. In addition to replying suitably to the Banks, the Company has also approached the High Court of Delhi vide its writ petition W.P.(c) No 3982 of 2023 against the SBI on various grounds 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). This matter is also currently pending adjudication. State Bank of India had also filed a petition (now withdrawn) before Hon'ble NCLT, Delhi seeking initiation of Corporate Insolvency Resolution Process of the Company.
- (9) The company however wants to settle all these legal issues amicably and hence has offered a One Time Settlement Proposal to all its Bankers. The company has received 'In-principle' approval of its One Time Settlement Proposal from the consortium of banks, subject to acceptance from their competent authority/board and upfront payment for the furtherance of the proposal was deposited in a no lien account with SBI by a promoter group entity. So far, the proposal has been accepted by the competent authorities of State Bank of India (Lead Bank), Axis Bank as well as Karur Vysya Bank and the same is under active consideration of the remaining consortium member banks and in view of the same SBI had submitted an application under section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("IBC 2016") dated April 29, 2024, before the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi seeking withdrawal of its petition CP(IB) No. 421 (PB) of 2023 filed against PC Jeweller Limited under section 7 of the IBC 2016 on account of settlement terms agreed between SBI and the Company. Hon'ble National Company Law Tribunal, Principal Bench, New Delhi ("NCLT") vide its order dated April 30, 2024, has allowed State Bank of India ("SBI"), Financial Creditor to withdraw the petition (IB)-421(PB)/2023 filed by it against PC Jeweller Limited under section 7 of the Insolvency & Bankruptcy Code, 2016. Accordingly, NCLT dismissed petition (IB)-421(PB)/2023 as withdrawn and all other IA's pending in this matter were also disposed of accordingly.  
Though there is no certainty either on the time frame or the end result of this ongoing judicial process, the Company 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 as well as withdrawal of the CIRP petition by the SBI. 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 Company does not raise any concern on its going concern status and accordingly, the accompanying statement has been prepared considering Going Concern assumption.

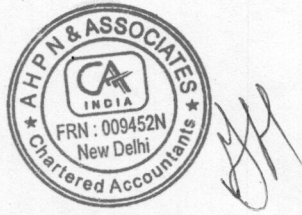


**PC JEWELLER LIMITED**

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- (10) In the absence of export revenues, 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.
- (11) Considering the uncertainty w.r.t future taxable profits, the Company has not recognised the Deferred tax assets (on net basis) during the year ended 31 March 2024 in accordance with Ind AS-12. The same shall be reviewed and reassessed in future period.
- (12) The company during the quarter ended 31 March 2024 has shut down two owned stores located at Patna and Jaipur and one franchisee store at Rudrapur. Now the company has fifty four owned and six franchises stores as on 31 March 2024. As on 31 March 2024 three stores of the company located at Delhi remain temporarily shut due to ongoing court proceedings.
- (13) The figures for the corresponding previous period/ year have been regrouped/rearranged wherever considered necessary to make them comparable.

Place: New Delhi  
Date: 30 May 2024



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

Balram Garg  
Managing Director  
DIN-00032083

**Independent Auditor's Report on the Consolidated Annual Financial Results of the company 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. Qualified Opinion**

We have audited the accompanying Statement of Consolidated Financial Results of PC Jeweller Limited (the "Holding Company") for the year ended 31<sup>st</sup> March 2024 and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

**2. In our opinion and to the best of our information and according to the explanations given to us, the statement:**

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended; except for the possible effects of the matter described in paragraph 4 below; and
- (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued there under, and other accounting principles generally accepted in India, of the Consolidated net loss after tax and total comprehensive loss and other financial information of the company for the year ended 31 March, 2024 except for the possible effects of the matter described in paragraph 4 below.

**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. 8<sup>th</sup> September 2023)
2. Luxury Products Trendsetter Private Limited;
3. PC Jeweller Global DMCC; and
4. PCJ Gems & Jewellery Limited



**3. Basis of Opinion:**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph(a) of Auditor's Responsibilities section below' We are independent of the Company in accordance with the Code of ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial results for the year ended March 31, 2024 under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

**4. Basis for Qualified Opinion:**

(i) The Holding company during the financial year ended 31<sup>st</sup> 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 5 to the accompanying statement). The Holding 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 Holding 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 ascertain any consequential effect of the above, if any, of the same on the accompanying Statement.

Auditor's opinion for the year ended 31<sup>st</sup> March 2019, 31<sup>st</sup> March 2020, 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2023, Quarter ended June 2023, September 2023 and December 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 of holding company as required under Ind-As 109, (read with Note 6 to the accompanying statement). Trade receivables as at 31<sup>st</sup> March 2024, inter alia, include outstanding from export customers aggregating to ₹ 1467.61 crore. The export receivables have been outstanding for more than 9 months and have been restated as per the RBI exchange rate as on 31<sup>st</sup> March 2024. 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. However, as a mark of prudent accounting practices the Holding company has computed and applied cumulative ECL on the outstanding export receivables of ₹ 263.68 crore as on 31<sup>st</sup> March 2024.

Despite no realization as per scheduled expected dates from the export receivables and considering the initiation of legal route or recovery during the year, we are unable to examine adequacy of the provision of expected credit loss and its consequential impact and adjustments on the accompanying statement.

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



(iii) The Holding company inventory lying at few locations is under court's custody with effect from Jan'-23 as a consequence of order passed by the Hon'ble DRT/ DRAT and there is no change in the current status as on the date of Balance Sheet date. Accordingly, the physical verification/ inspection of the inventory at these locations could not be conducted neither by the management nor by the auditors as on the Balance Sheet date. Hence 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 31<sup>st</sup> March 2023, Quarter ended June 2023 and Quarter ended September 2023 and Quarter ended December 2023 was also modified in respect of this matter.

#### 5. Material Uncertainty Related to Going Concern

We draw attention to Note 8 in the financial statements and as stated in Note 8, these events or conditions viz. Application by Financial Creditor(s) i.e. State Bank of India has 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 Holding 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.

However, the Holding company has received notices from a majority of its lenders under Section 13(2) of the SARFAESI Act, 2002, to which it has replied. Additionally, the Holding company filed a writ petition (W.P.(C) No 3982 of 2023) with the High Court of Delhi against SBI, alleging non-compliance with the Principle of Natural Justice since it wasn't given an opportunity to present its case. SBI had also filed a petition with the NCLT, Delhi, to initiate Corporate Insolvency Resolution Process (CIRP) against the Holding company.

In an effort to resolve these legal issues amicably, the Holding company proposed a One Time Settlement (OTS) and upfront payment for the furtherance of the OTS proposal was deposited in a No Lien account with SBI by a promoter group entity. This proposal has received 'In-principle' approval from the consortium few of the members, including SBI (Lead Bank), Axis Bank, and Karur Vysya Bank, and is under consideration by the remaining consortium member banks. Consequently, SBI applied to withdraw its petition under Section 60(5) of the Insolvency and Bankruptcy Code, 2016, which the NCLT approved on April 30, 2024, resulting in the dismissal of petition IB-421(PB)/2023 and disposal of all related matters (since withdrawn).

Despite the ongoing judicial process's uncertainty, the Holding company remains confident of a positive outcome due to its proactive debt resolution efforts and believes it will maintain its going concern status. The Holding company's management is confident that its net asset position will allow it to meet liabilities and commitments in the normal course of business, irrespective of the legal process's final conclusion. The current situation does not raise concerns about the Holding company's going concern status, and the accompanying statement is prepared based on this assumption.

Our conclusion is not modified in respect of this matter.



**6. Emphasis of Matter**

We draw attention to

- (i) As per Note 6 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 1467.61 Crores as on 31st March 2024, 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 and would not be material; 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 to future profits and its consequential impact on taxation thereof, the Holding company has not recognized the Deferred Tax assets (On net Basis).

Our conclusion is not modified in respect of these matters.

**7. Responsibilities of Management and those charged with Governance for Consolidated Annual Financial Results**

This Statement, which includes the Consolidated Financial Results is the responsibility of the Holding company's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31<sup>st</sup> 2024, has been compiled from the related audited Consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31<sup>st</sup>, 2024 that give a true and fair view of the net Loss and other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error' In preparing the Consolidated Financial Results, the Board of Directors are responsible for assessing the Holding company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Holding company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the financial reporting process of the Holding company.



**8. Auditor's Responsibilities****Audit of the Consolidated Financial Results for the year ended March 31<sup>st</sup>, 2024**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31<sup>st</sup>, 2024 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

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

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error/ as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, 'based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Consolidated Financial Results of the Holding company to express an opinion on the Annual Consolidated Financial Results.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in

- i) Planning the scope of our audit work and in evaluating the results of our work; and
- ii) To evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.



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

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

#### 9. Other Matter

We draw attention to

1. The consolidated annual financial statements include the audited financial statements of its subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of 191.02 crores as at 31 March 2024, total revenues (before consolidation adjustments) of 420.74 crores, total net profit after tax (before consolidation adjustments) of 0.63 crores, total comprehensive income/(loss) of (3.66) crore for the year ended on 31<sup>st</sup> March 2024, which have been audited by their respective independent auditors. The independent auditor's reports on financial statements of these entities have been furnished to us by the management.

Our opinion on the consolidated annual financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such auditors and the procedures performed by them.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

2. The Statement includes the results for the Quarter ended 31<sup>st</sup> March, 2024 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
3. 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 adjustment

#### For A H P N and Associates

Chartered Accountants

FRN: 009452N



**CA Navdeep Gupta**

Partner

M.No. : 091938

Place : New Delhi

Dated : 30/05/2024

UDIN : 24091938BKCAA01385



**PC JEWELLER LIMITED**

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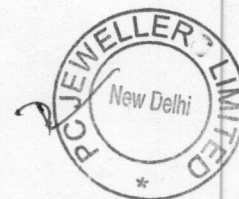
**PART I**  
Statement of consolidated audited financial results for the quarter and year ended 31 March 2024 (₹ in crores except earnings per share)

S. no.	Particulars	3 months ended 31 March 2024	Preceding 3 months ended 31 December 2023	Corresponding 3 months ended 31 March 2023	Year ended 31 March 2024	Previous year ended 31 March 2023
		(Audited) (Refer note 3)	(Unaudited)	(Audited) (Refer note 3)	(Audited)	(Audited)
I	Revenue from operations	48.49	40.06	173.37	605.40	2,472.68
II	Other income	11.05	3.42	(1.98)	64.47	163.25
II	<b>Total income (I+II)</b>	<b>59.54</b>	<b>43.48</b>	<b>171.39</b>	<b>669.87</b>	<b>2,635.93</b>
IV	<b>Expenses</b>					
	a) Cost of materials consumed	33.22	18.98	52.25	523.12	2,018.80
	b) Purchases of stock-in-trade	-	-	5.73	-	202.34
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	8.33	76.73	99.47	152.25	(132.54)
	d) Employee benefits expenses	6.35	6.81	13.32	31.02	56.44
	e) Finance costs	129.63	126.21	123.53	504.57	492.00
	f) Depreciation and amortization expenses	4.07	4.80	6.74	20.37	27.23
	g) Other expenses	2.17	10.60	22.82	70.31	79.59
	<b>Total expenses (IV)</b>	<b>183.77</b>	<b>244.13</b>	<b>323.84</b>	<b>1,301.64</b>	<b>2,743.86</b>
V	<b>Profit/(loss) before tax (III-IV)</b>	<b>(124.23)</b>	<b>(200.65)</b>	<b>(152.45)</b>	<b>(631.77)</b>	<b>(107.93)</b>
VI	<b>Tax expense</b>					
	a) Current tax	-	-	-	0.80	(56.28)
	b) Deferred tax	(2.59)	(2.67)	149.96	(3.21)	151.55
VII	<b>Profit/(loss) for the period (V - VI)</b>	<b>(121.64)</b>	<b>(197.98)</b>	<b>(302.41)</b>	<b>(629.36)</b>	<b>(203.20)</b>
VIII	<b>Other comprehensive income</b>					
	(A)(i) Items that will not be reclassified to profit/(loss)	2.17	-	0.57	2.17	0.57
	(ii) Income tax relating to items that will not be reclassified to profit/(loss)	(0.01)	-	(0.14)	(0.01)	(0.14)
	(B)(i) Items that will be reclassified to profit/(loss)	0.32	0.11	(1.29)	(4.31)	4.20
	(ii) Income tax relating to items that will be reclassified to profit/(loss)	-	-	-	-	-
IX	<b>Total comprehensive income for the period (comprising profit/(loss) and other comprehensive income for the period) (VII+VIII)</b>	<b>(119.16)</b>	<b>(197.87)</b>	<b>(303.26)</b>	<b>(631.51)</b>	<b>(198.57)</b>
	<b>Net (loss)/profit attributable to:</b>					
	Owners of the Holding Company	(121.64)	(197.98)	(302.43)	(629.36)	(203.20)
	Non-controlling interests	-	-	-	-	-
	<b>Other comprehensive income attributable to:</b>					
	Owners of the Holding Company	2.48	0.11	(0.87)	(2.15)	4.63
	Non-controlling interests	-	-	-	-	-
X	<b>Paid-up equity share capital (face value ₹ 10/- per share)</b>	<b>465.40</b>	<b>465.40</b>	<b>465.40</b>	<b>465.40</b>	<b>465.40</b>
XI	<b>Other equity</b>				<b>2465.95</b>	<b>3225.15</b>
XII	<b>Earnings per share : (of ₹ 10/- each)</b>	(not annualized)	(not annualized)	(not annualized)	(annualized)	(annualized)
	(a) Basic (₹)	(2.61)	(4.25)	(6.50)	(13.52)	(4.37)
	(b) Diluted (₹)	(2.61)	(4.25)	(6.50)	(13.52)	(4.37)

See accompanying notes to the financial results.



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PART II

Statement of consolidated assets and liabilities

(₹ in crore)

	Particulars	As at	As at
		31 March 2024	31 March 2023
		(Audited)	(Audited)
<b>A</b>	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	a) Property, plant and equipment	25.12	31.80
	b) Capital work-in-progress	-	0.70
	c) Right of use assets	45.14	81.99
	d) Other intangible assets	0.68	0.81
	e) Financial assets		
	i) Investments	0.01	0.01
	ii) Trade receivables	1,289.92	1,155.28
	iii) Loans	8.23	14.94
	iv) Other financial assets	10.82	26.52
	f) Deferred tax assets (net)	7.71	4.71
	g) Other non-current assets	3.13	5.83
	<b>Total non-current assets</b>	<b>1,390.76</b>	<b>1,322.59</b>
2	<b>Current assets</b>		
	a) Inventories	5,632.81	5,790.63
	b) Financial assets		
	i) Investments	2.52	2.47
	ii) Trade receivables	182.48	429.83
	iii) Cash and cash equivalents	4.73	41.90
	iv) Bank balance other than (iii) above	0.16	0.17
	v) Loans	0.27	1.36
	vi) Other financial assets	6.06	5.54
	c) Other current assets	49.64	41.43
	<b>Total current assets</b>	<b>5,878.67</b>	<b>6,313.33</b>
	<b>Total assets</b>	<b>7,269.43</b>	<b>7,635.92</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
	a) Equity share capital	465.40	465.40
	b) Other equity	2,465.95	3,225.15
	<b>Total equity</b>	<b>2,931.35</b>	<b>3,690.55</b>
2	<b>LIABILITIES</b>		
	<b>Non-current liabilities</b>		
	a) Financial liabilities		
	i) Borrowings	0.39	-
	ii) Lease liabilities	43.26	76.31
	b) Provisions	2.89	4.09
	<b>Total non-current liabilities</b>	<b>46.54</b>	<b>80.40</b>
3	<b>Current liabilities</b>		
	a) Financial liabilities		
	i) Borrowings	4,086.85	3,630.38
	ii) Lease liabilities	19.91	29.70
	iii) Trade payables		
	-Total outstanding dues of micro enterprises and small enterprises; and	0.14	1.98
	-Total outstanding dues of creditors other than micro enterprises and small enterprises	13.69	15.41
	iv) Other financial liabilities [other than those specified in item (c)]	57.53	52.62
	b) Other current liabilities	30.05	50.83
	c) Provisions	2.11	2.65
	d) Current tax liabilities (net)	81.26	81.40
	<b>Total current liabilities</b>	<b>4,291.54</b>	<b>3,864.97</b>
	<b>Total liabilities</b>	<b>4,338.08</b>	<b>3,945.37</b>
	<b>Total equity and liabilities</b>	<b>7,269.43</b>	<b>7,635.92</b>

See accompanying notes to the financial results



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## PC JEWELLER LIMITED

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

**PART III**  
**Consolidated cash flow statement**

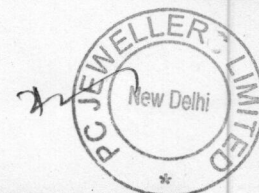
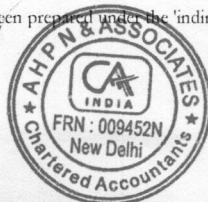
		(₹ in crore)	
S. no.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
		(Audited)	(Audited)
<b>A</b>	<b>Cash flow from operating activities:</b>		
	Profit/(loss) before tax	(631.77)	(107.93)
	<b>Adjustments for:</b>		
	Depreciation and amortisation expenses	20.37	27.42
	Interest income on fixed deposit	(0.07)	(1.73)
	Interest income on loans given to body corporate	(3.24)	(0.60)
	Net Loss on disposal of property, plant and equipment	0.74	0.21
	Net (Profit)/ Loss on FVTPL from investments	(0.32)	-
	Finance costs	504.57	492.00
	Unwinding of discount on security deposits	1.15	(0.16)
	Discounting of rental expenses as per Ind-As 116	(25.97)	(37.51)
	(Profit)/ Loss on Foreign Currency Translation	(4.31)	4.20
	Unrealised gain on foreign exchange	(25.13)	(144.78)
	Actuarial loss forming part of other comprehensive income	2.17	0.57
	Adjustment due to fair valuation of gold loan at unfixed prices	-	(1.61)
	Gain on partial/full termination or modification of leases	(4.36)	(2.53)
	Provision for impairment of accrued interest on loan	2.60	-
	Provision for impairment of loan to others written back	(4.32)	-
	Gain on Loss of Controlling interest in subsidiary	(19.26)	(8.90)
	Provision for expected credit loss for trade receivables	1.75	12.32
	Provision for doubtful debts	21.82	-
	<b>Operating profit/(loss) before working capital changes</b>	<b>(163.58)</b>	<b>230.97</b>
	<b>Adjustments for:</b>		
	(Increase)/decrease in inventories	157.82	(118.92)
	(Increase)/decrease in financial assets	57.56	(6.61)
	(Increase)/decrease in non-financial assets	(5.50)	11.80
	(Increase)/decrease in trade receivables	137.66	(20.93)
	Increase/(decrease) in trade payables	(5.14)	10.40
	Increase/(decrease) in financial liabilities	(91.64)	12.30
	Increase/(decrease) in non-financial liabilities	(21.58)	(26.97)
	Increase/(decrease) in provisions	(1.74)	(0.05)
	<b>Cash generated from/(used in) operating activities</b>	<b>63.86</b>	<b>91.99</b>
	Direct taxes (paid)/ refunded	-	7.51
	<b>Net cash generated from/(used in) operating activities</b>	<b>63.86</b>	<b>99.50</b>
<b>B</b>	<b>Cash flow from investing activities:</b>		
	Purchase of property, plant and equipment including capital advances	(0.13)	(2.92)
	Proceeds from disposal of property, plant and equipment	2.13	0.52
	Redemption/(purchase) of current investments, net	-	0.27
	Interest accrued on loan	-	0.49
	Loans repaid by body corporate	4.32	(6.98)
	Interest received	0.71	2.25
	Redemption of fixed deposits, net	0.03	36.31
	<b>Net cash (used in)/generated from investing activities</b>	<b>7.06</b>	<b>29.94</b>
<b>C</b>	<b>Cash flow from financing activities:</b>		
	Reduction in long term loans due to loss of controlling interest	(79.07)	-
	Proceeds from long term loans	0.39	3.79
	Reduction in share capital due to loss of controlling interest	(0.05)	-
	Proceeds from allotment of employee stock options	-	-
	Interest Paid	(29.36)	(114.71)
	<b>Net cash (used in)/ generated from financing activities</b>	<b>(108.09)</b>	<b>(110.92)</b>
<b>D</b>	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(37.17)	18.52
<b>E</b>	Cash and cash equivalents as at the beginning of the year	41.90	23.38
<b>F</b>	<b>Cash and cash equivalents as at the end of the year</b>	<b>4.73</b>	<b>41.90</b>

**Components of cash and cash equivalents:**

Balances with scheduled banks in current accounts	4.25	37.93
Cheques and drafts on hand	-	-
Cash on hand	0.48	3.97
Balance with banks in deposit accounts with original maturity upto three months	-	-
	<b>4.73</b>	<b>41.90</b>

The above consolidated cash flow statement has been prepared under the 'indirect method' as set out in Ind AS 7, 'Statement of cash flows'.

See accompanying notes to the financial results



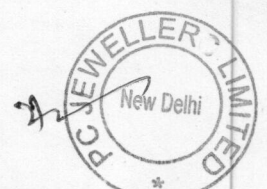
## PC JEWELLER LIMITED

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### Notes:

- (1) The consolidated audited financial results of the Group, (comprising of PC Jeweller Limited, the Holding Company and its subsidiaries) for the quarter and year ended 31 March 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30 May 2024. The statutory auditors of the Holding Company have expressed a modified audit opinion on these results.
- (2) 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.
- (3) Figures for the quarters ended 31 March 2024 and 31 March 2023 represents the balancing figures between audited figures for the full financial year and published year to date figures upto the third quarter of the respective financial years.
- (4) 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.
- (5) During the financial year ended 31 March 2024, 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 January 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 ₹ 183.16 crore approvals are still pending. The management however, 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.
- (6) Trade receivables as at 31 March 2024, *inter alia*, include outstanding from export customers of Holding Company aggregating to ₹ 1467.61 crore. The export receivables have been outstanding for more than 9 months and have been restated as per the RBI exchange rate as on 31 March 2024. 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 and are not expected to be material and accordingly, no consequential adjustments have been made in the books of accounts with respect to such default. However, as a mark of prudent accounting practices the Holding Company has computed and applied cumulative ECL (Expected credit loss) on the outstanding export receivables of ₹ 263.68 crore as on 31.03.2024.
- (7) The status of the Holding Company's borrowing accounts continues to remain 'Non Performing Assets' (NPA) with all the banks (including the lead bank SBI, which is contested legally by the Holding Company). Total exposure outstanding with Banks/ FIs as on 31st March 2024 includes provision for interest upto 31st March 2024 (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 March 2024, whereas some of the banks have provided figures without applied interest. Therefore provision for unapplied interest for ₹ 308.03 crore for year ended 31st March 2024 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 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. Hence, these figures or amounts are not an admission of any liability of any alleged debt of secured creditors/banks.  
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 Lead Bank (State Bank of India) moved the Debts Recovery Tribunal-III Delhi, on 15 January 2023 against the Holding Company seeking full recovery of its outstanding exposure and DRT-III Delhi, passed an ex-parte order on 18th of January 2023. In response, the Holding Company has gone into appeal against the aforesaid order dated 18 January 2023 of DRT-III Delhi before Hon'ble Debts Recovery Appellate Tribunal, Delhi. 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, Delhi and case no. 416/2023 before Debts Recovery Tribunal No. II, Delhi, respectively, against the Holding company which are disputed and also being contested by the Holding company and its Directors/Alleged Guarantors/Corporate Guarantors. All these matters continue to remain sub-judice as on date. 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, Delhi and against IDFC First Bank for ₹ 768 crores before Debts Recovery Tribunal No. II, Delhi. It is therefore again clarified that any amounts/figures shown earlier in the Financial statements for half year and nine months of FY 2023-24, FY 2022-23, FY 2021-22 and FY 2020-21 are in dispute as there has been breach of contract/agreement by the banks, failure to adhere to the minutes of meetings in various JLM's between banks and Holding Company and hence cannot be termed as admission of any liability of any nature whatsoever in any court of law. The Holding Company has also treated ₹ 17.00 crore debited by lead bank on various occasions arbitrarily as disputed receivable.
- (8) A majority of the Lenders have also issued notices to the Holding Company under Section 13(2) of the SARFAESI Act 2002 and which have been replied to by the Holding Company. In addition to replying suitably to the Banks, the Holding Company has also approached the High Court of Delhi vide its writ petition W.P.(c) No 3982 of 2023 against the SBI on various grounds 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). This matter is also currently pending adjudication. State Bank of India had also filed a petition (now withdrawn) before Hon'ble NCLT, Delhi seeking initiation of Corporate Insolvency Resolution Process of the Holding Company.
- (9) The Holding company however wants to settle all these legal issues amicably and hence has offered a One Time Settlement Proposal to all its Bankers. The Holding company has received 'In-principle' approval of its One Time Settlement Proposal from the consortium of banks, subject to acceptance from their competent authority/board and upfront payment for the furtherance of the proposal was deposited in a no lien account with SBI by a promoter group entity. So far, the proposal has been accepted by the competent authorities of State Bank of India (Lead Bank), Axis Bank as well as Karur Vysya Bank and the same is under active consideration of the remaining consortium member banks and in view of the same SBI had submitted an application under section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("IBC 2016") dated April 29, 2024, before the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi seeking withdrawal of its petition CP(IB) No. 421 (PB) of 2023 filed against PC Jeweller Limited under section 7 of the IBC 2016 on account of settlement terms agreed between SBI and the Holding Company. Hon'ble National Company Law Tribunal, Principal Bench, New Delhi ("NCLT") vide its order dated April 30, 2024, has allowed State Bank of India ("SBI"), Financial Creditor to withdraw the petition (IB)-421 (PB)/2023 filed by it against PC Jeweller Limited under section 7 of the Insolvency & Bankruptcy Code, 2016. Accordingly, NCLT dismissed petition (IB)-421 (PB)/2023 as withdrawn and all other IA's pending in this matter were also disposed of accordingly. Though there is no certainty either on the time frame or the end result of this ongoing judicial process, the Holding Company 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 as well as withdrawal of the CIRP petition by the SBI. 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 and accordingly, the accompanying statement has been prepared considering Going Concern assumption.
- (10) In the absence of export revenues, 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.

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- (1) Considering the uncertainty w.r.t future taxable profits, the Holding Company has not recognised the Deferred tax assets (on net basis) during the year ended 31 March 2024 in accordance with Ind AS-12. The same shall be reviewed and reassessed in future period.
- (12) 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.
- (13) The Holding Company during the quarter ended 31 March 2024 has shut down two owned stores located at Patna and Jaipur and one franchisee store at Rudrapur. Now the Holding Company has fifty four owned and six franchises stores as on 31 March 2024. As on 31 March 2024 three stores of the Holding Company located at Delhi remain temporarily shut due to ongoing court proceedings.
- (14) 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

Place: New Delhi  
Date: 30 May 2024



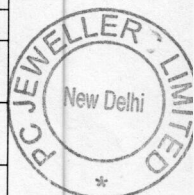
  
Balram Garg  
Managing Director  
DIN-00032083

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results (Standalone)**

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024</b> [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
(Rs.in crores except earnings per share)				
I.	Sl No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	233.30	233.30
	2.	Total Expenditure	882.57	882.57
	3.	Net Profit/(Loss)	(649.27)	(649.27)
	4.	Earnings Per Share	(13.95)	(13.95)
	5.	Total Assets	7235.64	7235.64
	6.	Total Liabilities	4337.71	4337.71
	7.	Net Worth	2897.93	2897.93
	8.	Any other financial item(s) (as felt appropriate by the management)	No	No
<b>II Audit Qualification (each audit qualification separately):</b>				
<b>a. Details of Audit Qualification:</b>				
<p>(i) The company during the financial year ended 31<sup>st</sup> 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 5 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 ascertain any consequential effect of the above, if any, of the same on the accompanying Statement.</p>				
<p>(ii) With respect to provision for the expected credit loss / impairment relating to overdue overseas Trade Receivables of the company as required under Ind-As 109, (read with Note 6 to the accompanying statement), Trade receivables as at 31<sup>st</sup> March 2024, inter alia, include outstanding from export customers aggregating to ₹ 1467.61 crore. The export receivables have been outstanding for more than 9 months and have been restated as per the RBI exchange rate as on 31<sup>st</sup> March 2024. 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. However, as a mark of prudent accounting practices the company has computed and applied cumulative ECL on the outstanding export receivables of ₹ 263.68 crore as on 31<sup>st</sup> March 2024. Despite of no realization as per scheduled expected dates from the export receivables and considering the initiation of legal route or recovery during the year, we are unable to examine adequacy of the provision of expected credit loss and its consequential impact and adjustments on the accompanying statement.</p>				
<p>(iii) The company inventory lying at few locations is under court's custody with effect from jan'-23 as a consequence of order passed by the Hon'ble DRT/ DRAT and there is no change in the current status as on the date of balance sheet date. Hence, the physical verification/ inspection of the inventory at these locations could not be conducted neither by the management nor by</p>				

	<p>the auditors as on the balance sheet date. Hence 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.</p>
	<p>b. <b>Type of Audit Qualification</b> : Qualified Opinion</p>
	<p>c. <b>Frequency of qualification</b>: The qualification No (i) has been appearing since year ended 31 March 2019. The remaining qualifications were first incorporated in the financial results for the quarter ending December 2022</p>
	<p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views</b>: Not Applicable</p>
	<p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p>
	<p>(i) <b>Management's estimation on the impact of audit qualification</b>: Not Applicable</p>
	<p>(ii) <b>If management is unable to estimate the impact, reasons for the same:</b></p> <p>(a) The management had extended the discounts as on 31 March 2019 in view of the genuine business problems and operational issues being faced by its overseas buyers. The discount extended amounted to one-time discount of 25% of the export value of outstanding receivables as on 31 March 2019. The discount extended is in accordance with the Master Circular on Exports of Goods and Services - Master Circular No.14/2015-16 under the Foreign Exchange Management Act, 1999 and the management therefore does not expect any material penalty to be levied and hence, no provision for the same has been recognized in these financial results.</p> <p>(b) The management is in touch with its export buyers and is confident of the buyers remitting payments as per the schedule advised by them and is therefore convinced about the accuracy of the calculated ECL amount.</p> <p>(c) The inability of the auditors or the management to conduct physical inspection of the inventory at certain locations does not in any manner indicates that's its valuation is different then as contained in the company's books.</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above: Refer our qualification above, 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 standalone financial results.</p>
II	<p><b>Signatories:</b></p>
I	<ul style="list-style-type: none"> <li>• CEO/Managing Director</li> </ul>
	<ul style="list-style-type: none"> <li>• CFO</li> </ul>
	<ul style="list-style-type: none"> <li>• Audit Committee Chairman</li> </ul>
	<ul style="list-style-type: none"> <li>• Statutory Auditor</li> </ul>

Place: New Delhi  
Date: 30 May 2024

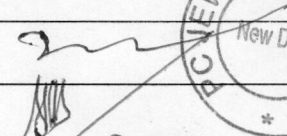
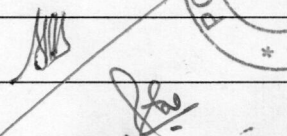
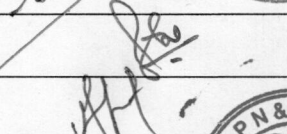


**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results (Consolidated)**

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024</b> [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
<b>(Rs.in crores except earnings per share)</b>				
I.	SI No.	Particulars	Consolidated Audited Figures (as reported before adjusting for qualifications)	Consolidated Audited Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	669.87	669.87
	2.	Total Expenditure	1301.64	1301.64
	3.	Net Profit/(Loss)	(629.36)	(629.36)
	4.	Earnings Per Share	(13.52)	(13.52)
	5.	Total Assets	7269.43	7269.43
	6.	Total Liabilities	4338.08	4338.08
	7.	Net Worth	2931.35	2931.35
	8.	Any other financial item(s) (as felt appropriate by the management)	NO	NO
<b>II</b>	<b>Audit Qualification (each audit qualification separately):</b>			
	<b>a. Details of Audit Qualification:</b>			
	<p>(i) The holding company during the financial year ended 31<sup>st</sup> 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 5 to the accompanying statement). The holding 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 holding 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 ascertain any consequential effect of the above, if any, of the same on the accompanying Statement.</p> <p>(ii) With respect to provision for the expected credit loss / impairment relating to overdue overseas Trade Receivables of holding company as required under Ind-As 109, (read with Note 6 to the accompanying statement). Trade receivables as at 31<sup>st</sup> March 2024, inter alia, include outstanding from export customers aggregating to ₹ 1467.61 crore. The export receivables have been outstanding for more than 9 months and have been restated as per the RBI exchange rate as on 31<sup>st</sup> March 2024. 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. However, as a mark of prudent accounting practices the holding company has computed and applied cumulative ECL on the outstanding export receivables of ₹ 263.68 crore as on 31<sup>st</sup> March 2024. Despite of no realization as per scheduled expected dates from the export receivables and considering the initiation of legal route or recovery during the year, we are unable to examine adequacy of the provision of expected credit loss and its consequential impact and adjustments on the accompanying statement.</p> <p>(iii) The holding company inventory lying at few locations is under court's custody with effect from jan'-23 as a consequence of order passed by the Hon'ble DRT/ DRAT and there is no change in the current status as on the date of balance sheet date. Hence, the physical verification/ inspection of the inventory at these locations could not be conducted neither by the management nor by the auditors as on the balance sheet date. Hence the inventory valuation is based on determination of estimated net realizable value or cost which is lower in</p>			



	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
b.	<b>Type of Audit Qualification :</b> Qualified Opinion
c.	<b>Frequency of qualification: the qualification No (i) has been appearing since year ended 31 March 2019. The remaining qualifications were first incorporated in the financial results for the quarter ending December 2022</b>
d.	<b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not Applicable
e.	<b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>
(i)	<b>Management's estimation on the impact of audit qualification:</b> Not Applicable
(ii)	<b>If management is unable to estimate the impact, reasons for the same:</b>
(a)	The management of the holding company had extended the discounts as on 31 March 2019 in view of the genuine business problems and operational issues being faced by its overseas buyers. The discount extended amounted to one-time discount of 25% of the export value of outstanding receivables as on 31 March 2019. The discount extended is in accordance with the Master Circular on Exports of Goods and Services - Master Circular No.14/2015-16 under the Foreign Exchange Management Act, 1999 and the management of the holding company does not expect any material penalty to be levied and therefore, no provision for the same has been recognized in these financial results
(b)	The management of the holding company is in touch with its export buyers and is confident of the buyers remitting payments as per the schedule advised by them and is therefore convinced about the accuracy of the calculated ECL amount.
(c)	The inability of the auditors or the management of the Holding Company to conduct physical inspection of the inventory at certain locations does not in any manner indicates that's its valuation is different then as contained in the holding company's books.
(iii)	Auditors' Comments on (i) or (ii) above: Refer our qualification above, 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 consolidated financial results.

III	<b>Signatories:</b>	
	• CEO/Managing Director	
	• CFO	
	• Audit Committee Chairman	
	• Statutory Auditor	



Place: New Delhi  
Date: 30 May 2024