Date: 08/09/2023

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.: Annual Report 2022-23

Dear Sir / Ma'am,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith Annual Report 2022-23 of the Company.

Annual Report 2022-23 (including Notice of the 18th Annual General Meeting) of the Company has been sent through electronic mode to those Members whose e-mail address is registered with Depository Participants / Company / Registrar & Transfer Agent - KFin Technologies Limited.

Kindly take the same on record.

Thanking you,
For **PC Jeweller Limited**

VIJAY
PANWAR

Digitally signed by VIJAY PANWAR
DN: c=IN, o=PERSONAL, pseudonym=bd90a3d846b90efe44cd7dd30df41b88c547c7895ecffe0fbcb61abdaa97adab, postalCode=250001, st=UTTAR PRADESH, serialNumber=2e116a9a8182f1da67d2250d7f95b6ca18f3722fb15804672aa5188ae6272653, cn=VIJAY PANWAR
Date: 2023.09.08 16:14:41 +05'30'

(VIJAY PANWAR)
Company Secretary

Encl.: As above

PC Jeweller

ANNUAL REPORT 2022-23

PC JEWELLER LIMITED

CONTENTS

Forward-looking statements

Some information in this report may contain forward-looking statements within the meaning of applicable security laws and regulations. This include statements regarding the Company's business plans, expectations and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on the assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward looking statements due to various factors including economic conditions affecting demand/supply/price, changes in the applicable rules, regulations, laws, any epidemic or pandemic, natural calamities over which we do not have any control. Members and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

SOME OF OUR COLLECTIONS

Animal Collection

Anant Collection

Bandhan Mangalsutra Collection

Dashavtar Collection

Expresso

Folia Amoris

Fluttering Beauty

Mens Collection

Plique-A'-Jour Collection

Ring It On

MESSAGE FROM MANAGING DIRECTOR

Dear Shareholders,

I hereby present you the Annual Report of your Company for the financial year 2022-23.

This financial year had started on an optimistic note as the Lenders had accepted the Company's request for resolution of its account under the laid down norms. After acceptance of the Company's request for resolution, the Lenders had permitted regular transactions in the Company's account in the month of May 2023, which permitted the Company and its management to concentrate on rebuilding its business. This started getting reflected in the Company's performance, which showed a turnover of ₹ 2,186.22 crore for the 9 months ending December 2022 as against a turnover of ₹ 1,405.06 crore for the corresponding period ending December 2021.

The resolution process as laid down by the Reserve Bank of India involves several steps including Independent Credit Evaluation of the resolution proposal by two Rating Agencies appointed by the Lenders. Unfortunately, one of the two Rating Agencies appointed did not give the required RP4 Rating to the Company's resolution proposal, which meant that the same could not be processed further. Though the Company took immediate steps to further improve its proposal, the Lenders thought otherwise and went to the legal recourse for recovery of their dues. The Lenders have also placed restrictions on the normal banking transactions of the Company thus depriving it of the necessary liquidity to run the operations.

The Company believes that its Lenders have not followed the principles of natural justice in its case as they took the legal route arbitrarily and without giving it a fair hearing. It has therefore sought justice against the arbitrary actions of its Lenders in various legal fora.

Obviously, dealing with a number of litigations along with the restrictions placed on the transactions have affected the Company's operations very adversely. However, the Company continues to remain an operating entity in spite of the on-going litigations. There have not been any adverse judgement against the Company till date and all the cases continue to be sub-judice.

At the same time the Company continues to remain open to an out of court amicable settlement and is engaging with its Lenders for the same.

In view of the present situation and the strong defence being put up by the Company's counsels in the court rooms, it does not anticipate any adverse decision and hence remains confident and positive about its going concern status remaining intact. The Company also continues to follow its core principles of trust and purity as well as no compromise on the quality of its product i.e. jewellery.

I am thankful to all our employees, management as well as my Board Colleagues who continue to depict their strong resolve and commitment towards the Company through these testing times.

Yours sincerely,

Sd/-
(BALRAM GARG)
Managing Director

Corporate Information

BOARD OF DIRECTORS	
Shri Balram Garg	Managing Director
Shri Ramesh Kumar Sharma	Executive Director
Smt. Sannovanda Machaiah Swathi	Independent Director
Dr. Manohar Lal Singla	Independent Director
Shri Krishan Kumar Khurana	Independent Director
Shri Miyar Ramanath Nayak	Independent Director
Shri Suresh Kumar Jain	Independent Director
CHIEF FINANCIAL OFFICER	Shri Sanjeev Bhatia
COMPANY SECRETARY & COMPLIANCE OFFICER	Shri Vijay Panwar
STATUTORY AUDITORS	M/s Arun K. Agarwal & Associates, Chartered Accountants Firm Registration No.: 003917N
REGISTERED OFFICE	PC Jeweller Limited C - 54, Preet Vihar, Vikas Marg, Delhi - 110092 Tel: 011 - 49714971, Fax: 011 - 49714972
REGISTRAR AND TRANSFER AGENT (RTA)	KFin Technologies Limited Selenium Tower B, Plot No. 31 - 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032 (Telangana) Toll Free No.: 1800-309-4001 E-mail: einward.ris@kfintech.com
WEBSITE	www.pcjeweller.com
CORPORATE IDENTITY NUMBER	L36911DL2005PLC134929
ISIN	INE785M01013
BSE SCRIP CODE	534809
NSE SYMBOL	PCJEWELLER

STATUTORY REPORTS

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 18th Annual Report along with the audited financial statements of the Company for the financial year ended March 31, 2023.

FINANCIAL SUMMARY

The summary of standalone financial statements of the Company for the financial year ended March 31, 2023 and previous year are as under:

(₹ in crore, except earnings per share)

Particulars	2022-23	2021-22
Revenue from operations	2,359.46	1,574.05
Other income	147.85	59.51
Total income	**2,507.31**	**1,633.56**
Profit / (loss) before finance costs, depreciation and tax	272.70	(44.54)
Less: Finance cost	491.69	437.37
Less: Depreciation & amortisation expenses	25.85	26.24
Profit / (loss) before tax	**(244.84)**	**(508.15)**
Less: Tax Expense	94.27	(118.55)
Net profit / (loss) after tax	**(339.11)**	**(389.60)**
Other comprehensive income for the year, net of tax	0.46	0.37
Total comprehensive income / (loss) for the year	**(338.65)**	**(389.23)**
Earnings per equity share (in ₹):		
Basic	(7.29)	(8.37)
Diluted	(7.29)	(8.37)
Paid-up share capital	465.40	465.40
Other equity	3,079.65	3,418.39

THE COMPANY'S PERFORMANCE AND STATE OF AFFAIRS

The Company is one of the leading jewellery companies in the organised jewellery retail sector in India. It is engaged in the business of trade, manufacture and sale of gold, diamond, precious stone, gold and diamond studded jewellery as well as silver articles. As on March 31, 2023, the Company has total of 81 showrooms including 12 franchisee showrooms and also has 4 manufacturing units in India.

The Company offers wide range and variety of jewellery to cater not only to wedding jewellery but party and daily wear also. In view of changing trends and customers preferences, the Company keeps on launching new jewellery designs and collections from time to time. It owns jewellery sub-brands Swarna Dharohar, Inayat and Mirosa and has launched a number of jewellery collections over the years. Some of the prominent jewellery collections of the Company are Wedding Collection, Folia Amoris, The Fluttering Beauty, Mens Collection, Diamond Mangalsutra, Watch Accessories etc.

During the year, the revenue from operations of your Company increased by almost 50% to ₹ 2,359.46 crore from ₹ 1,574.05 crore during previous year. As a result of increase in revenue, the Company's net loss decreased by almost 13% to ₹ 339.11 crore as compared to ₹ 389.60 crore during previous year.

Although the Company continues to remain loss making but its gross margins have improved to 15.62% as against 12.45% achieved during the previous year. Further, the Company has also turned EBIDTA positive as on March 31, 2023 with an EBIDTA of 11.56% vis a vis an EBIDTA of (2.83%) as on March 31, 2022.

During the previous year, the Company's Lenders classified its accounts Non-Performing Assets (**"NPA"**) due to default / non-payment of debt / interest etc. on account of decline in the business and revenues of the Company caused by Covid-19 pandemic. However, the Company is contesting the classification of its accounts as NPA in various legal forums and the matter is currently sub-judice.

After NPA classification, the Company approached its Lenders with a resolution proposal under the appropriate Guidelines of Reserve Bank of India. However, due to non-receipt of requisite rating from one of the Rating Agencies, the Company's resolution plan could not proceed further and State Bank of India (**"SBI"**) moved the Debt Recovery Tribunal, Delhi (**"DRT"**) during the year under review. In response, the Company filed an appeal with Debt Recovery Appellate Tribunal, Delhi for relief and the matter is currently sub-judice. Subsequently, Union Bank of India (with seven other banks) as well as Indian Bank also separately moved DRT and their matters are also currently sub-judice.

The Company in addition to replying suitably to the Banks, has also approached the High Court of Delhi against SBI stating that that there is a non-compliance of the Principle of Natural Justice in as much as the Company was not given any opportunity to explain its case after January 2, 2023 and unilateral decision has been taken by SBI. The Hon'ble Court has accepted the Company's prayer and issued a notice to SBI, which has been accepted by their learned counsel. The Company has also filed counter claims for ₹ 10,034 crores, ₹ 16,759 crores and ₹ 2,956 crores against SBI, Union Bank (and seven other banks) and against Indian Bank respectively, before DRT and these matters are also currently sub-judice.

Although there is no certainty either on the time frame or the end result of these on-going legal proceedings, but the Company continues to remain confident about a positive outcome of the same as well as retaining its going concern status.

CAPITAL STRUCTURE

Authorised Share Capital: The authorised share capital of the Company remained unchanged at ₹ 760 crore comprising of 50 crore equity shares of ₹ 10/- each and 26 crore preference shares of ₹ 10/- each.

Paid-Up Share Capital: The paid-up share capital of the Company also remained unchanged at ₹ 465,40,38,960/- comprising of 46,54,03,896 equity shares of ₹ 10/- each.

DIVIDEND

The Board of Directors (**"Board"**) has not recommended any dividend for the year.

TRANSFER TO RESERVES

The Boardhas not proposed transfer of any amount to the reserves.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company has 7 Directors comprising of 2 Executive Directors and 5 Non-Executive Independent Directors including 1 Woman Director.

During the year Smt. Sannovanda Machaiah Swathi was re-appointed as an Independent Director of the Company for second term of 5 years with effect from January 19, 2023. In the opinion of the Board, she is a person of integrity, possesses relevant expertise / experience and fulfils the conditions as per applicable laws and is independent of the management of the Company.

Shri Ramesh Kumar Sharma is liable to retire by rotation at the 18th AGM of the Company and being eligible, offered himself for re-appointment as a Director of the Company.

Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"LODR Regulations"**) and Secretarial Standard 2 issued by the Institute of Company Secretaries of India, the details of Shri Ramesh Kumar Sharma form part of the Notice convening the 18th AGM.

During the year under review, no changes have taken place among Key Managerial Personnel of the Company.

SUBSIDIARY COMPANIES

During the year under review, the Company had following wholly owned non-material subsidiaries:

i) **PC Universal Private Limited:** It is engaged in the business of manufacturing and export of gold jewellery. It has not carried out any business operations during the year under review. However, due to other income, mainly net gain on foreign currency transactions and translations, it registered net profit of ₹ 12.55 crore.

ii) **Transforming Retail Private Limited:** It is engaged in the business of online retail trading of gold and diamond jewellery. During the year under review,its revenue from operations was ₹ 139.70 crore and it incurred net loss of ₹ 2.64 crore. It ceased to be a subsidiary of the Company in March 2023.

iii) **Luxury Products Trendsetter Private Limited:** It is engaged in the business of manufacturing / job working and trading of jewellery. During the year under review its revenue from operations was ₹ 11.83 crore and it registered net profit of ₹ 5.61 crore.

iv) **PCJ Gems & Jewellery Limited:** It is authorized to carry on the business of manufacturing and trading of all kinds of jewellery. However, it has not commenced business operations during the year under review.

v) **PC Jeweller Global DMCC:** It is engaged in the business of jewellery trading. During the year under review its revenue from operations was ₹ 43.70 crore and it registered net profit of ₹ 9.92 crore.

During the year under review, no company has become subsidiary of the Company.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 (the **"Act"**) a statement containing salient features of the financial statements of the subsidiaries (Form AOC-1) is annexed as **"Annexure - 1"** to this Report.Please refer Note 57 of the consolidated financial statements for the financial year ended March 31, 2023 for the details of contribution of the subsidiaries to the overall performance of the Company. The financial statements of all the subsidiaries are available on the Company's website www.pcjeweller.com in Investors section.

ASSOCIATE AND JOINT VENTURE COMPANIES

The Company do not have any associate or joint venture company within the meaning of Section 2(6) of the Act and during the year no company has become or ceased to be associate or joint venture company.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company have been prepared in accordance with the accounting principles applicable in India including Indian Accounting Standards (IND AS) specified under Section 133 of the Act read with the rules made thereunder and forms part of the Annual Report.

SECRETARIAL STANDARDS

The Company has complied with the applicable provisions of Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

COST RECORDS

The Company is not required to maintain cost records as specified under Section 148 of the Act.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have confirmed their independence and submitted declaration of independence with the Company in accordance with the provisions of the Act and LODR Regulations. They have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

BOARD MEETINGS

During the year 5 Board meetings were held on May 30, 2022; July 23, 2022; August 9, 2022; October 27, 2022 and February 14, 2023 respectively.

AUDIT COMMITTEE

Audit Committee comprises of 4 Directors including 3 Independent Directors. Dr. Manohar Lal Singla, Independent Director, is the Chairman of the Committee. For further details, please refer to Report on Corporate Governance.

PUBLIC DEPOSITS

The Company was accepting unsecured deposits from the public under jewellery purchase scheme 'Jewel for Less'. However, during financial year 2019-20, the Company stopped accepting fresh deposits from the public after credit rating of its deposit programme was downgraded below minimum investment grade by the rating agency. Since then the Company has neither invited nor accepted any fresh deposits but has only been redeeming the same mainly by sale of jewellery with applicable discount benefit. During the year, the Company has repaid / redeemed all the existing outstanding deposits.

During the year under review, the Company has not accepted any deposits and nothing remained unpaid or unclaimed as at the end of the year. There was no default in repayment of deposits or payment of interest thereon during the year.

PARTICULARS OF LOANS, GUARANTEES AND INVESTEMENTS

The details of loans given and investments made by the Company are disclosed in the notes forming part of the financial statements. The Company has not provided any guarantee.

PARTICULARS OF CONTRACTS / ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions entered into by the Company during the year under review were on arm's length basis and in the ordinary course of business. The Company had not entered into any contract / arrangement / transaction with related parties, which could be considered as material in accordance with the Company's Policy on Materiality of and Dealing with Related Party Transactions. Hence, disclosure in Form AOC - 2 is not required. The details of transactions with related parties during the year have been disclosed in Note 37 of the financial statements.

PARTICULARS OF TRANSACTIONS WITH ANY PERSON OR ENTITY BELONGING TO PROMOTER / PROMOTER GROUP HOLDING 10% OR MORE SHAREHOLDING

Shri Balram Garg and Smt. Krishna Devi hold more than 10% shares in the Company. The details of transactions of the Company with them during the year under review are as under:

(₹ in crore)

Particulars	Year ended March 31, 2023
Rent paid:	
Shri Balram Garg	0.01
Smt. Krishna Devi	0.10

RISK MANAGEMENT

The Company has put in place a Risk Management Policy to define a framework for identification, assessment, categorisation and treatment of risks and selecting appropriate risk management approach. The Company's outlook in dealing with various risks associated with the business includes the decision on acceptance of risks, avoidance of risks, transfer of risks and risks tolerance level. Pursuant to Regulation 21 of LODR Regulations, the Company has constituted a Risk Management Committee, which comprises of 3 Directors including 1 Independent Director. For further details on Risk Management Committee, please refer to Report on Corporate Governance.

INTERNAL CONTROL SYSTEMS

The Company has effective internal control systems in place, which ensures that all the assets of the Company are safeguarded and protected against any loss from unauthorized use or disposition. Internal auditor also periodically carried out review of the internal control systems and procedures and their reports are placed before Audit Committee for its review. There were no significant comments / findings in the reports of Internal auditor during the year under review.

The Company has also put in place adequate internal controls with reference to the financial statements commensurate with the size and nature of operations of the Company. Such controls were tested and test results summary of the testing done based on key controls shown effective controls prevailing within the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There have been no material changes and commitments affecting financial position of the Company between end of the financial year and the date of the report. However, after end of the financial year, State Bank of India (**"SBI"**) filed a petition with National Company Law Tribunal (**"NCLT"**) alleging default of an amount of ₹ 1,180.20 crores as on April 30, 2023, which has been denied by the Company. The Company has also taken necessary steps to oppose the petition filed by SBI before Hon'ble NCLT.

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

A) CONSERVATION OF ENERGY

The Company is committed towards conservation of energy. In its efforts towards conservation of energy, the Company is having a solar energy plant at one of its manufacturing units as a source of renewable energy and emphasises on optimal use of energy and avoid wastages.

B) TECHNOLOGY ABSORPTION

The Company has not carried out any research and development activities.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company's foreign exchange earnings and outgo during the year were Nil.

DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder, the Company has adopted a policy against sexual harassment. The Company has constituted Internal Complaints Committee for redressal of complaints on sexual harassment. During the year under review, the Company had not received any complaint on sexual harassment and no complaint was pending as on March 31, 2023.

WHISTLE BLOWER POLICY

The Company has in place a Whistle Blower Policy, which provides a formal mechanism for all the employees and Directors of the Company to report about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct and leak of unpublished price sensitive information etc. and provides reassurance that they will be protected from reprisals or victimization for whistle blowing.

During the year under review, the Company had not received any complaint under Whistle Blower Policy and no complaint was pending as on March 31, 2023. The Policy is available on the Company's website www.pcjeweller.com in Investors section.

BOARD EVALUATION

The Company has in place the Board approved criteria for evaluation of performance of the Board, its Committees and individual Directors. The annual performance evaluation of the Board, its Committees and the Directors is carried out on the basis of evaluation forms, which include a rating mechanism.

The Board carried out annual performance evaluation of its own performance on the basis of evaluation forms received from all the Directors. The performance of each Committee of the Board was evaluated by the Board, based on evaluation forms received from members of the respective Committee. Further, performance of individual Directors was evaluated by Nomination and Remuneration Committee as well as the Board on the basis of evaluation forms received from all the Directors except the Director being evaluated. Independent Directors also reviewed the performance of the Board and Non-Independent Directors at their separate meeting.

The criteria for performance evaluation of the Board and its Committees amongst others include their composition, processes, information and functioning, terms of reference of the Committees, etc. The criteria for performance evaluation of the Directors including Independent Directors amongst others include their contribution at the meetings, devotion of time and efforts to understand the Company, its business, their duties and responsibilities and adherence to the code of conduct, etc.

Based on the feedbacks received, the consolidated report on the performance of the Board, its Committees and individual Directors was placed before the Board. The Board expressed satisfaction over the performance of the Board, its Committees and the Directors.

SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review and thereafter State Bank of India (**"SBI"**) and some other consortium member banks moved the Debt Recovery Tribunal (**"DRT"**) for recovery of their outstanding amounts. In response, the Company has filed an appeal with Debt Recovery Appellate Tribunal against petition filed by SBI with DRT for relief and the matter is currently sub-judice.

The Company has also filed a claim for ₹ 10,034 crores against SBI before DRT and this matter is also currently sub-judice.

Further, after end of the year, SBI also filed a petition with National Company Law Tribunal (**"NCLT"**) alleging default of an amount of ₹ 1,180.20 crores as on April 30, 2023, which has been denied by the Company. The Company has already taken necessary steps to oppose the petition filed by SBI before Hon'ble NCLT.

However, as on date no significant / material orders have been passed by the regulators or courts or tribunals impacting the going concern status of your Company and its operations in future.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Act, your Directors confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there were no material departures from the same;

b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) the Directors had taken proper and sufficient care for the 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 fraud and other irregularities;

d) the Directors had prepared the annual accounts on a going concern basis;

e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EMPLOYEE STOCK OPTION PLAN

With the objective of retaining talent and reward loyalty, the Company has in place PC Jeweller Limited Employee Stock Option Plan 2011 (**"ESOP 2011"**). ESOP 2011 is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. During the year under review, no changes were made in ESOP 2011.

The disclosure relating to ESOP 2011 as required under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is available on the Company's website and can be accessed through the link https://corporate.pcjeweller.com/wp-content/uploads/2015/06/investors/downloads/FY-2024/Others/ESOP-Disclosure-under-the-SEBI-SBEB-&-SE-Regulations-2021.pdf. The certificate of secretarial auditor with respect to the implementation of ESOP 2011 will be available for inspection by Members during the 18th AGM.

POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION AND CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES & INDEPENDENCE OF A DIRECTOR

Nomination & Remuneration Policy of the Company is designed to identify the persons for appointment as Director(s) and who may be appointed in Senior Management including Key Managerial Personnel (**"KMP"**) as well as determining the remuneration of the Director, KMP and other employees and to attract, motivate and retain manpower by creating a congenial work atmosphere, encouraging initiatives, personal growth and team work by creating a sense of belonging and involvement, besides offering appropriate remuneration packages.

The objective of Policy on Criteria for determining Qualifications, Positive Attributes and Independence of a Director is to define the criteria for determining the qualifications, positive attributes and independence of a Director.

No changes have been made in both the policies during the year. The policies are available on the Company's website and can be accessed through the link https://corporate.pcjeweller.com/codes-policies/

MANAGEMENT DISCUSSION AND ANALYSIS

As per LODR Regulations, Management Discussion and Analysis Report forms part of the Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

As per LODR Regulations, Business Responsibility and Sustainability Report forms part of the Annual Report.

DIVIDEND DISTRIBUTION POLICY

The Company has in place a Dividend Distribution Policy in terms of Regulation 43A of LODR Regulations. The Policy is available on the Company's website and can be accessed through the link https://corporate.pcjeweller.com/wp-content/uploads/2015/06/investors/corporate-governance/Dividend-Distribution-Policy.pdf.

ANNUAL RETURN

In accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, Annual Return is available on the Company's website and can be accessed through the link https://corporate.pcjeweller.com/annual-return/

AUDITORS AND THEIR REPORTS

STATUTORY AUDITORS

M/s Arun K. Agarwal & Associates, Chartered Accountants (Firm Registration No. 003917N) were appointed as statutory auditors of the Company for 5 years from the conclusion of the 15th AGM till the conclusion of the 20th AGM of the Company.

The notes to the financial statements referred to in statutory auditors' report are self-explanatory and do not call for any further explanations or comments. However, the explanations or comments of the Board on the qualification, reservation or adverse remark or disclaimer made in statutory auditors' report are as under:

1) **Para 3 (i) of Independent Auditors' Report regarding providing of discounts to export customers during the financial year ended March 31, 2019**

   The management had extended the discounts as on March 31, 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 March 31, 2019. The discount extended was in accordance with the FED Master Direction No. 16/2015-16 dated January 1, 2016 issued by the Reserve Bank of India. Subsequently, the Company has obtained approvals from Authorized Dealer Banks for reduction in the receivables corresponding to discounts amounting to ₹ 330.49 crore and approval for the balance amount i.e. ₹ 183.16 crore is under process. The discount extended was in accordance with the aforesaid Master Direction and the management does not expect any material penalty to be levied and therefore, no provision for the same has been recognized in the financial statements.

2) **Para 3 (ii) of Independent Auditors' Report regarding adequacy of the provision for expected credit loss / impairment and its consequential impact and adjustments on the standalone financial statements**

   The Company has made a provision for expected credit loss as on March 31, 2023 based on revised payment schedule as provided by its overseas buyers and the same is in accordance with the laid down accounting norms. The Company is exploring various options, including legal recourse for recovery of its overseas trade receivables and is confident of the recovery of the same.

3) **Para 3 (iii) of Independent Auditors' Report regarding inventory value and its consequential impact and adjustments on the standalone financial statements**

   Debt Recovery Appellate Tribunal, Delhi has already stayed the ex-parte order of seizing the inventory passed by Debt Recovery Tribunal, Delhi and the matter is sub-judice. Given the nature of the Company's inventory, it does not envisage any adverse impact of the on-going legal process on the net realizable value of the inventory. Inventory with the Karigars is a part of the routine business operations since long and the Company does not envisage any losses on account of a portion of its inventory lying with the karigars.

4) **Para 5 of Independent Auditors' Report regarding material uncertainty related to going concern**

During the year under review, State Bank of India (**"SBI"**) moved Debt Recovery Tribunal, Delhi (**"DRT"**) for recovery of its outstanding dues. In response, the Company filed an appeal with Debt Recovery Appellate Tribunal, Delhi for relief and the matter is currently sub-judice. Subsequently, Union Bank of India (with seven other banks) as well as Indian Bank also separately moved DRT and their matters are also currently sub-judice.

The Company in addition to replying suitably to the Banks, has also approached the High Court of Delhi against SBI stating that that there is a non-compliance of the Principle of Natural Justice in as much as the Company was not given any opportunity to explain its case after January 2, 2023 and unilateral decision has been taken by SBI. The Hon'ble Court has accepted the Company's prayer and issued a notice to SBI, which has been accepted by their learned counsel. The Company has also filed counter claims for ₹ 10,034 crores, ₹ 16,759 crores and ₹ 2,956 crores against SBI, Union Bank (and seven other banks) and against Indian Bank respectively, before DRT and these matters are also currently sub-judice.

Although there is no certainty either on the time frame or the end result of these ongoing legal proceedings, yet the Company continues to remain confident about a positive outcome of the same and is taking appropriate steps to ensure that its status as a going concern remains intact in spite of the current adversities. The Management is confident that it will be able to realize its assets and meet its liabilities and commitments in the normal course of business considering the net assets position of the Company irrespective of the final conclusion of decision in the ongoing legal process. Hence, the current position of the events does not raise any concern on its going concern status. In view of the above the management is confident that the Company will continue as a going concern.

5) **Para ii (a) of Annexure - A to Independent Auditors' Report regarding physical verification of inventory lying at some locations**

The Auditor's observation is a statement of fact and the management does not have anything further to comment on the same.

6) **Para ii (b) of Annexure - A to Independent Auditors' Report regarding variances in quarterly statements filed with the banks with the books of accounts of the Company**

As compared to the total value of the Company's inventory, the variance in the value of inventory for the quarters ended June 2022 and September 2022 are almost negligible and have arisen only due to minor corrections during finalization of the financial results. The variances in the values of sundry receivables for the quarters ended June 2022 and September 2022 are on account of foreign exchange restatement and expected credit loss provisions at the end of the financial year.

Statements for the quarters ended December 2022 and March 2023 were not submitted by the company on account of initiation of legal action by its Lenders. Currently all the legal proceedings are sub-judice, hence, submission of any information by the Company, which was being done in a routine manner earlier, is now subject to court orders.

7) **Para iii (c), (d) and (e) of Annexure - A to Independent Auditors' Report regarding loans / advances granted by the Company**

The Company has in earlier years granted loans for business purposes to its two subsidiaries as they do not enjoy any credit facility from any bank / financial institution. However, during the year, the Company has not granted any fresh loans to them. Also there is a reduction in the quantum of these loans during the year. Although there is no specific schedule of repayment, yet loan is to be repaid by them within specified period from the date of the receipt of each tranche of loan and also carries agreed rate of interest. The provision for impairment of loan to subsidiaries has been made in accordance with the laid down accounting norms.

The staff advances have been extended to permanent employees of the Company in the normal course for their personal requirements. The staff advances amounting to ₹ 2.12 crore have been written off during the year in view of the fact that those employees stood by the Company in its difficult times and instead of expecting any increments since long time or other benefits some of them actually taken a cut in their salary. Hence, to reward their loyalty and devotion to duty their advances have been written off after taking approvals from Audit Committee and the Board of the Company.

8) **Para vii (a) of Annexure - A to Independent Auditors' Report regarding arrears of undisputed statutory dues outstanding for more than six months at the year end**

The liquidity constraints being faced by the Company have delayed the payment. However, the Company has already received some refunds which have reduced its liability and as on date has filed appeals with the Authorities which may result in a refund of an amount which is more than the liability of outstanding statutory dues.

9) **Para ix (a) of Annexure - A to Independent Auditors' Report regarding default in repayment of loans (including interest) to Bankers**

The Company is contesting the matter of so called "default" in various legal fora and this matter is currently sub-judice.

10) **Para xvii of Annexure - A to Independent Auditors' Report regarding cash losses incurred**

The cash losses are the result of less revenue as compared to the expenses incurred during the year.

11) **Para xix of Annexure - A to Independent Auditors' Report regarding Company's capacity of meeting its liabilities existing as on Balance Sheet date**

The management is confident that it will be able to realize its assets and meet its liabilities and commitments in the normal course of business considering the net assets position of the Company irrespective of the final conclusion of decision in the ongoing legal process.

12) **Para xx (b) of Annexure - A to Independent Auditors' Report regarding unspent CSR amount pursuant to ongoing project not yet transferred to special account**

The Company's liquidity position had become very constrained after March 2020 on account of lockdowns and frequent disruptions in business due to spread of Covid-19 pandemic. Although, the Company had identified an ongoing project for making requisite CSR expenditure during FY 2020-21 and 2021-22 but its banking transactions got highly restricted during 2021-22 causing further liquidity constraints for the Company. Further, the Company's lenders have frozen its bank accounts and have started legal proceedings for recovery of their dues during the year. Hence, the Company could neither spend nor transfer the unspent amount to Unspent CSR Account. However, the Company is committed to meet its CSR obligations after resolution of the banking issues and improvement in the liquidity position.

SECRETARIAL AUDITOR

In accordance with Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s Kirti Dureja & Co., Company Secretaries, a peer reviewed firm, as a secretarial auditor of the Company for the year under review.

Secretarial Audit Report is annexed herewith as **"Annexure - 2"** to this Report. The explanations or comments of the Board on the qualification, reservation or adverse remark or disclaimer made in Secretarial Audit Report are as under:

1) **Regarding the composition of the Board did not have sufficient number of directors liable to retire by rotation**

The Company will do the needful to ensure necessary compliance in due course.

2) **Regarding unspent CSR amounts for financial year 2020-21 and 2021-22 pursuant to ongoing project(s) are not transferred to special account**

Please refer to point no. 12 of the explanations or comments of the Board on the qualification etc. in statutory auditors' report.

DETAILS IN RESPECT OF FRAUDS

During the year under review, statutory and secretarial auditors have not reported any fraud under Section 143(12) of the Act.

REPORT ON CORPORATE GOVERNANCE

As per LODR Regulations, Report on Corporate Governance forms part of the Annual Report. The Corporate Governance Compliance Certificate from Practicing Company Secretary is annexed as **"Annexure - 3"** to this Report.

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company is annexed as **"Annexure - 4"** to this Report.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Policy of the Company lays down the guidelines and mechanism for undertaking socially useful programs for welfare and sustainable development of the community, in the local area and around areas of operations of the Company including other parts of the Country. The Policy is available on the Company's website and can be accessed through the link https://corporate.pcjeweller.com/codes-policies/. Annual Report on CSR activities pursuant to Section 135 of the Act and

Rules made thereunder is annexed as **"Annexure – 5"** to this Report.

OTHER DISCLOSURES

During the year under review:

- There was no change in the nature of business of the Company.
- No issue of equity shares with differential rights as to dividend, voting or otherwise, was made.
- No issue of sweat equity shares to directors or employees was made.
- No Whole-time Director received remuneration from any of the subsidiary(ies) of the Company.
- No application was made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of one time settlement with any Bank or Financial Institution.
- The equity shares of the Company have not been suspended from trading by SEBI.

ACKNOWLEDGEMENT

Your Directors would like to convey their sincere gratitude and place on record appreciation for the continued support and co-operation of the Company's customers, suppliers, investors and regulatory authorities. Your Directors also appreciate the commendable efforts, teamwork and professionalism of the employees of the Company at all levels.

For and on behalf of the Board

Place: New Delhi
Date: August 14, 2023

Sd/-	Sd/-
(RAMESH KUMAR SHARMA)	(BALRAM GARG)
Executive Director	**Managing Director**
DIN: 01980542	DIN: 00032083

Annexure - 1

FORM AOC - I

{Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014}

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES

Part A: Subsidiaries

(**₹ in crore**)

Sl. No.	Name of the subsidiary / Particulars	PC Universal Private Limited	Transforming Retail Private Limited@	Luxury Products Trendsetter Private Limited	PCJ Gems & Jewellery Limited	PC Jeweller Global DMCC
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1, 2022 to March 31, 2023	April 1, 2022 to March 31, 2023	April 1, 2022 to March 31, 2023	April 1, 2022 to March 31, 2023	April 1, 2022 to March 31, 2023
2	Reporting currency	INR	INR	INR	INR	AED#
	Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR	INR	INR	INR	1 AED = 22.38 INR
3	Share capital	0.05	0.21	0.01	0.05	133.86
4	Reserves & surplus	(14.18)	(9.34)	(11.05)	(0.04)	42.05
5	Total assets	115.14	11.56	13.48	0.02	176.03
6	Total liabilities	129.26	20.68	24.52	0.00*	0.12
7	Investments	0.27	0.00	0.00	0.00	0.00
8	Turnover	0.00	139.70	11.83	0.00	43.70
9	Profit / (loss) before taxation	12.55	(3.49)	7.46	(0.00)*	9.92
10	Provision for taxation	0.00*	(0.85)	1.85	0.00	0.00
11	Profit / (loss) after taxation	12.55	(2.64)	5.61	(0.00)*	9.92
12	Proposed dividend	0.00	0.00	0.00	0.00	0.00
13	% of shareholding	100.00	4.76	100.00	100.00	100.00

@ Ceased to be subsidiary of the Company in March 2023.

Reporting currency is AED. However, for consolidation purpose its financial statements are expressed in INR (Conversion Rate 1 AED = 22.38 INR) and duly converted in to IND AS.

* Rounded off to nil.

1. Names of subsidiaries which are yet to commence operations: PCJ Gems & Jewellery Limited
2. Names of subsidiaries which have been liquidated or sold during the year: None of the subsidiaries of the Company have been liquidated or sold during the year. However, Transforming Retail Private Limited ceased to be subsidiary of the Company in March 2023 on account of increase in its paid-up share capital and issue of additional shares to a third party.

Part B: Associates & Joint Ventures

1. Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not Applicable
2. Names of associates or joint ventures which are yet to commence operations: Not Applicable
3. Names of associates or joint ventures which have been liquidated or sold during the year: Not Applicable

For and on behalf of the Board of Directors

Sd/-
Ramesh Kumar Sharma
Executive Director
DIN: 01980542

Sd/-
Balram Garg
Managing Director
DIN: 00032083

Sd/-
Vijay Panwar
Company Secretary
Membership No.A19063

Sd/-
Sanjeev Bhatia
Chief Financial Officer

Place: New Delhi
Date: 30 May, 2023

Annexure - 2

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
PC JEWELLER LIMITED
(L36911DL2005PLC134929)
C - 54, Preet Vihar, Vikas Marg,
Delhi-110092, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PC Jeweller Limited** (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023 and made available to us, according to the provisions of:

(i) The Companies Act, 2013 (**'the Act'**) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under to the extent of Regulation 55A;

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

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

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009: ***Not Applicable;***

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: ***Not Applicable;***

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client: ***Not Applicable;***

  (g) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

  (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: ***Not Applicable;*** and

  (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: ***Not Applicable;***

(vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company by virtue of the Company being engaged in the jewellery business, during the period under review:

(a) Bureau of Indian Standards Act, 2016 and applicable rules and regulations;

(b) The Legal Metrology Act, 2009 read with rules and regulations made thereunder.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

We report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except in respect of the matters specified below:

(i) The composition of the Board of the Company did not have sufficient number of directors liable to retire by rotation as required under section 152(6) of the Act;

(ii) The unspent corporate social responsibility amounts for the financial years 2020-21 and 2021-22 pursuant to ongoing project(s) are not transferred to special account as required under section 135 read with schedule VII of the Act.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the chairperson of the meeting, the decisions of the Board and Committee meetings were unanimous, and no dissenting views are captured and recorded as part of the minutes.

We further report thatthere are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

For **Kirti Dureja & Co.,**
Company Secretaries

Date: July 19, 2023
Place: Faridabad

Sd/-
Kirti Dureja
Practicing Company Secretary
Membership No. A38334, C.P. No. 16865
Peer Reviewed Firm
Unique Code: S2016HR412500
UDIN: A038334E000644280

ANNEXURE-A

To,
The Members,
PC JEWELLER LIMITED
(L36911DL2005PLC134929)
C - 54, Preet Vihar, Vikas Marg,
Delhi-110092, India

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

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

For **Kirti Dureja & Co.,**
Company Secretaries

Date: July 19, 2023
Place: Faridabad

Sd/-
Kirti Dureja
Practicing Company Secretary
Membership No. A38334, C.P. No. 16865
Peer Reviewed Unit
Unique Code: S2016HR412500
UDIN: A038334E000644280

Annexure - 3

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of
PC Jeweller Limited,
C-54, Preet Vihar, Vikas Marg,
Delhi-110092

We have examined all relevant records of PC Jeweller Limited (**"the Company"**) for the purpose of certifying the compliance of conditions of corporate governance for the year ended 31st March, 2023 under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI LODR Regulations"**) read with Schedule V of SEBI LODR Regulations.

The compliance of conditions of corporate governance is the responsibility of the management of the Company. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as specified in Regulations 17 to 27, clauses (b) to (i) and (t) of the Regulation 46(2) and para C and D of Schedule V of SEBI LODR Regulations during the year ended 31st March, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Kirti Dureja & Co.,**
Company Secretaries
(Peer Reviewed firm)

Date: 3rd August, 2023
Place: Gurugram

Sd/-
Kirti Dureja
Practicing Company Secretary
Membership No. A38334, C.P. No. 16865
UDIN: A038334E000733151

Annexure - 4

PARTICULARS OF EMPLOYEES

(A) DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for financial year 2022-23 and the percentage increase / (decrease) in remuneration of each Director, Chief Financial Officer and Company Secretary during financial year 2022-23:

Name	Category / Designation	Ratio of the remuneration	% Increase / (decrease) in remuneration
Dr. Manohar Lal Singla	Non-Executive Independent Director	0.85	(21.43)
Shri Krishan Kumar Khurana	Non-Executive Independent Director	1.15	(6.25)
Shri Miyar Ramanath Nayak	Non-Executive Independent Director	0.77	42.86
Shri Suresh Kumar Jain	Non-Executive Independent Director	0.35	(30.77)
Smt. Sannovanda Machaiah Swathi	Non-Executive Independent Director	0.46	50.00
Shri Balram Garg	Managing Director	0.00	0.00
Shri Ramesh Kumar Sharma	Executive Director	15.56	1.89
Shri Sanjeev Bhatia	Chief Financial Officer	Not Applicable	1.89
Shri Vijay Panwar	Company Secretary	Not Applicable	1.90

Note:

1) Median remuneration of employees for financial year 2022-23: ₹ 2.60 lakh
2) Remuneration of Non-Executive Independent Directors is the sitting fee for attending meetings of the Board and its Committees.

(ii) The percentage increase / (decrease) in the median remuneration of employees in financial year2022-23: 7.88%

(iii) The number of permanent employees on the rolls of company as on March 31, 2023: 1,443

(v) Average percentage increase already made in the salaries of employees other than the managerial personnel in financial year 2022-23 and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase in the salaries of employees other than Key Managerial Personnel was 12.85% as compared to 1.90% for Key Managerial Personnel. The increase in the salaries paid to Key Managerial Personnel was on account of restoration of salary to pre-covid period.

Affirmation:

The Company affirms that the remuneration paid is as per the Remuneration Policy of the Company.

(B) STATEMENT AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) Top 10 employees in terms of remuneration drawn:

Name / Particulars	Smt. Sheiba Anand (1)	Shri Ramesh Kumar Sharma (2)	Shri Sanjeev Bhatia (3)	Shri Raja Ram Sugla (4)	Shri Kuldeep Singh (5)
Designation	President (Retail Operations)	Executive Director	Chief Financial Officer	President (Accounts & Taxation)	President (Accounts & Audit)
Remuneration received	₹ 44.41 lakh	₹ 40.46 lakh	₹ 40.46 lakh	₹ 37.35 lakh	₹ 37.35 lakh
Nature of employment	Permanent Employee	As per Members' Resolution	Permanent Employee	Permanent Employee	Permanent Employee

Particulars \ Name	Smt. Sheiba Anand	Shri Ramesh Kumar Sharma	Shri Sanjeev Bhatia	Shri Raja Ram Sugla	Shri Kuldeep Singh
	(1)	(2)	(3)	(4)	(5)
Qualification	B.A., B.H.M.	Certified Associate of Indian Institute of Bankers, M.Com., B.Com.	Certified Associate of Indian Institute of Bankers, M.B.A., M.A., B.A.	Chartered Accountant, B.Com.	Chartered Accountant, B.Sc.
Experience (in years)	27	45	37	23	17
Date of commencement of employment	April 1, 2015	April 1, 2007	August 1, 2008	April 1, 2006	October 1, 2008
Age (in years)	52	65	61	47	45
Previous employment	Genesis Colors	State Bank of Bikaner & Jaipur	State Bank of India	Consultant	Consultant
Percentage of Equity Shares held	0.00	0.03	0.03	0.02	0.02
Relative Director	None	None	None	None	None

Particulars \ Name	Shri Vijay Panwar	Shri Ram Avtar Yadav	Shri Vivek Jain	Shri Varun Goel	Shri Sanjay Saini
	(6)	(7)	(8)	(9)	(10)
Designation	Company Secretary	Assistant Vice President (HR)	Chief Technical Officer	Factory Manager	Showroom Manager
Remuneration received	₹ 41.23 lakh	₹ 31.72 lakh	₹ 22.70 lakh	₹ 21.86 lakh	₹ 19.08 lakh
Nature of employment	Permanent Employee	Permanent Employee	Permanent Employee	Permanent Employee	Permanent Employee
Qualification	Company Secretary, M.B.A., LL.B., B.Sc.	M.A., M.M.S., LL.B.	Chartered Accountant	M.Com., Higher Diploma in Jewellery Design & Manufacture	B.A., LL.B.
Experience (in years)	18	16	32	20	28
Date of commencement of employment	January 21, 2008	January 1, 2008	February 1, 2018	July 8, 2008	June 1, 2005
Age (in years)	48	58	57	39	53
Previous employment	Mast Mobile Media Private Limited	Indian Air Force	Consultant	None	None
Percentage of Equity Shares held	0.01	0.00#	0.00	0.00	0.00#
Relative Director	None	None	None	None	None

Rounded off to nil.

(ii) Employed throughout the financial year and in receipt of remuneration aggregating not less than ₹102 lakh per annum: None

(iii) Employed for part of the year and in receipt of remuneration aggregating not less than ₹8.50 lakh or more per month: None

(iv) Employed throughout the financial year or part thereof, and was in receipt of remuneration in the year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: None

Annexure - 5

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The Company's CSR Policy lays down the guidelines and mechanism for undertaking socially useful programs for welfare and sustainable development of the community, in the local area and around areas of operations of the Company including other parts of the Country. CSR programs or projects to be undertaken by the Company in terms of the Policy shall relate to one or more activities listed in Schedule VII of the Companies Act, 2013, as amended from time to time.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Manohar Lal Singla	Chairman / Independent Director	2	2
2	Shri Krishan Kumar Khurana	Member / Independent Director	2	2
3	Shri Ramesh Kumar Sharma	Member / Executive Director	2	2

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

Composition of CSR Committee: https://corporate.pcjeweller.com/wp-content/uploads/2015/06/investors/corporate-governance/fy-20/Composition_of-Board-Committees.pdf

CSR Policy: https://corporate.pcjeweller.com/wp-content/uploads/2015/06/investors/corporate-governance/fy-20/Composition_of-Board-Committees.pdf

CSR projects approved by the Board: The CSR obligation of the Company for the financial year was nil. Hence, no project was approved by the Board during the year

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not applicable

5. (a) Average net profit of the Company as per section 135(5): ₹(110.97) crore

(b) Two percent of average net profit of the Company as per section 135(5): Nil

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Nil

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Nil

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the financial year [(a)+(b)+(c)]: Nil

(e) CSR amount spent or unspent for the financial year:

<table>
<tr><th rowspan="3">Total amount spent for the financial year (₹ in crore)</th><th colspan="5">Amount Unspent (₹ in crore)</th></tr>
<tr><th colspan="2">Total amount transferred to Unspent CSR Account as per section 135(6)</th><th colspan="3">Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)</th></tr>
<tr><th>Amount</th><th>Date of transfer</th><th>Name of the Fund</th><th>Amount</th><th>Date of transfer</th></tr>
<tr><td colspan="6">Nil</td></tr>
</table>

(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (₹ in crore)
1	**2**	**3**
i	Two percent of average net profit of the Company as per section 135(5)	Nil
ii	Total amount spent for the financial year	Nil
iii	Excess amount spent for the financial year (ii-i)	Nil
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v	Amount available for set off in succeeding financial years (iii-iv)	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding financial year(s)	Amount transferred to Unspent CSR Account under section 135(6) (₹ in crore)	Balance amount in Unspent CSR Account under section 135(6) (₹ in crore)	Amount spent in the financial year (₹ in crore)	Amount transferred to a fund as specified under Schedule VII as per second proviso to section 135(5), if any		Amount remaining to be spent in succeeding financial years (₹ in crore)	Deficiency, if any(₹ in crore)
					Amount (₹ in crore)	Date of transfer		
1	2021-22	Nil	Nil	Nil	Not Applicable		0.94	0.94
2	2020-21	Nil	Nil	Nil	Not Applicable		6.37	6.37
3	2019-20	Not Applicable*						

* The relevant provisions become applicable w.e.f. January 22, 2021.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If yes, enter the number of Capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

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

	Sd/- (BALRAM GARG) **Managing Director** DIN: 00032083	Sd/- (MANOHAR LAL SINGLA) **Chairman CSR Committee** DIN: 03625700

Place: New Delhi
Date: 14/08/2023

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

1.	Corporate Identity Number (CIN) of the listed entity	:	L36911DL2005PLC134929
2.	Name of the listed entity	:	PC Jeweller Limited
3.	Year of incorporation	:	April 13, 2005
4.	Registered office address	:	C - 54, Preet Vihar, Vikas Marg, Delhi - 110092
5.	Corporate address	:	C - 54, Preet Vihar, Vikas Marg, Delhi - 110092
6.	E-mail	:	info@pcjeweller.com
7.	Telephone	:	011-49714971
8.	Website	:	www.pcjeweller.com
9.	Financial year for which reporting is being done	:	April 1, 2022 – March 31, 2023
10.	Name of the Stock Exchange(s) where shares are listed	:	National Stock Exchange of India Limited (Symbol: PCJEWELLER) BSE Limited (Scrip Code: 534809)
11.	Paid-up Capital	:	₹ 4,65,40,38,960/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	Shri Ramesh Kumar Sharma Executive Director Tel: 011-47104810 E-mail: rksharma@pcjeweller.com
13.	Reporting boundary: Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).		Standalone basis

II. Products/services:

14. Details of business activities (accounting for 90% of the turnover)

S. No.	Description of main activity	Description of business activity	% of turnover of the entity
1.	Manufacturing	Manufacturing, trading and sale of gold, diamond, silver, precious stones, gold jewellery / items, diamond studded jewellery and silver articles.	37.44
2.	Trade		62.56

15. Products/ services sold by the entity (accounting for 90% of the entity's turnover)

S. No.	Product/Service	NIC Code	% of total turnover contributed
1.	Jewellery	3211	100

III. Operations:

16. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants	Number of offices / showrooms	Total
National	4	82	86
International	Nil	Nil	Nil

17. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of States)	14 States & 3 Union Territories
International (No. of Countries)	Nil

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

c. A brief on types of customers

The Company is one of the leading jewellery companies in the organized jewellery retail sector in India. It is engaged in the business of manufacturing, trading and sale of gold, diamond, precious stones, gold and diamond studded jewellery and silver articles. The Company caters mainly to retail customers and is serving its customers through both online as well as offline (retail showrooms) modes.

IV. Employees:

18. Details as at the end of Financial Year

a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	Employees					
1.	Permanent (D)	1265	767	60.63	498	39.37
2.	Other than permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	**Total employees (D + E)**	**1265**	**767**	**60.63**	**498**	**39.37**
	Workers					
4.	Permanent (F)	178	173	97.19	5	2.81
5.	Other than permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	**Total workers (F + G)**	**178**	**173**	**97.19**	**5**	**2.81**

b. Differently abled Employees and workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	Differently Abled Employees					
1.	Permanent (D)	5	2	40	3	60
2.	Other than permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	**Total differently abled employees(D + E)**	**5**	**2**	**40**	**3**	**60**
	Differently Abled Workers					
4.	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5.	Other than permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	**Total differently abled workers (F + G)**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

19. Participation/inclusion/representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	14.29
Key Management Personnel	3	Nil	Nil

20. Turnover rate (in %) for permanent employees and workers for the past 3 years

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
Permanent Employees	41.47	50.52	44.93	43.29	45.83	44.19	43.11	34.36	39.87
Permanent Workers	50.15	44.44	50	38.22	25	37.89	63.16	Nil	61.86

V. Holding, Subsidiary and Associate Companies (including joint ventures):

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/subsidiary/associate companies /joint ventures (A)	Indicate whether holding/subsidiary/ associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1.	PC Universal Private Limited	Subsidiary	100	No
2.	Luxury Products Trendsetter Private Limited	Subsidiary	100	No
3.	PCJ Gems & Jewellery Limited	Subsidiary	100	No
4.	PC Jeweller Global DMCC	Subsidiary	100	No

VI. CSR Details:

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover: ₹23,59,45,84,324/-

(iii) Net worth: ₹ 35,27,75,00,032/-

VII. Transparency and Disclosures Compliances:

23. Complaints/ grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	**Number of complaints pending resolution at close of the year**	**Remarks**	**Number of complaints filed during the year**	**Number of complaints pending resolution at close of the year**	**Remarks**
Communities	No	Nil	Nil	-	Nil	Nil	-
Investors* (other than shareholders)	Not Applicable	-	-	-	-	-	-
Shareholders	Yes The Company has designated an e-mail ID for redressal of shareholders grievances. https://corporate.pcjeweller.com/designated-e-mail-for-redressal-of-investors-grievances/	7	Nil	-	19	Nil	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes https://corporate.pcjeweller.com/wp-content/uploads/2015/06/investors/corporate-governance/fy-20/Whistle-Blower-Policy.pdf	Nil	Nil	-	Nil	Nil	-
Customers**	Yes The customers can approach the Company for their queries and grievances at https://www.pcjeweller.com/contact-us.html	Nil	Nil	-	Nil	Nil	-
Value Chain Partners	No	Nil	Nil	-	Nil	Nil	-
Other (please specify)	Not Applicable	-	-	-	-	-	-

* The Company has only one category of Investor i.e. equity shareholders. Hence, Investors (other than shareholders) is not applicable.

** The Company being customer centric organization, works very closely with the need and choices of its customers and keeps their demands, culture and purchasing preferences in mind. In addition, the Company takes feedbacks from its customers and addresses their issues, if any, as soon as possible. However, the Company does not keep track of complaints number wise, hence, Nil is mentioned in the above table.

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1.	Business Ethics and Governance	Risk and Opportunity	**Risk:** Engaging in unethical practices and misconduct can damage the Company's brand image and expose it to potential reputational risks. **Opportunity:** Establishing a culture centered on ethics and transparency is not only crucial for fulfilling mandates but also for cultivating strong relationships with the stakeholders.	The Company has implemented various Code of Conducts and Policies, which sets forth the standards of ethical behavior and governance.	**Negative:** The loss of reputation and stakeholder confidence can lead to indirect financial consequences. **Positive:** By adopting ethical practices and behavior, the Company can establish enduring relationships with its stakeholders, ultimately resulting in business growth.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
2.	Customer Satisfaction	Risk and Opportunity	**Risk:** Customers have the potential to share their dissatisfaction, leading to a negative word-of-mouth effect resulting into loss of brand image and business. **Opportunity:** Customer satisfaction plays a vital role in cultivating long-term relationships, larger customer base and fostering business growth.	The labels / tags on the Company's products displays the information mandated by the applicable laws. The product pricing and other terms and condition of sale are transparent and clearly explained to the customers at the time of sale.The Company also takes feedbacks from its customers for resolving their issues, if any.	**Negative:** Unsatisfied customers can lead to a loss of business. **Positive:** Customer satisfaction can positively impact the business growth.
3.	Product Quality	Risk and Opportunity	**Risk:** A company's brand reputation heavily relies on the quality of its products. Any compromise in product quality may result in customer loss and erosion of brand value. **Opportunity:** This fosters customer loyalty and contributes to the development of a positive brand image.	The Company implements stringent measures to ensure that its products meet standards of quality specified by BIS and all of its showrooms are equipped with 'Karatometers', where any customer can test purity of the jewellery.	**Negative:** Unsatisfied customers can lead to a loss of brand trust. **Positive:** Customer loyalty and satisfaction can positively impact the business growth.
4.	Employment Practices	Opportunity	By fostering employee engagement, a Company can experience increased productivity, innovation, and commitment to success. Additionally, an inclusive work culture can attract and retain top talent from diverse backgrounds, thereby providing the Company with a competitive advantage.		**Positive:** Efficient business operations.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

	Disclosure Questions	P1 P2 P3 P4 P5 P6 P7 P8 P9
Policy and management processes		
1.	**a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes
	c. Web Link of the policies, if available	The Company's Business Responsibility Policy is aligned with all the 9 NGRBC Principles. There are some additional policies also that align with these principles and can be accessed at https://corporate.pcjeweller.com/codes-policies/
2.	**Whether the entity has translated the policy into procedures. (Yes / No)**	Yes
3.	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	No, the Company's policies do not extend to value chain partners. However, the Company counsels them to follow these principles voluntarily.
4.	**Name of the national and international codes/certifications/ labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	The Company sells hallmarked gold jewellery bearing Bureau of Indian Standards (BIS) mark, purity and HUID number.
5.	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	No specific goals or targets are set by the Company but adherence with the required principles is a part of the day to day operations.
6.	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.**	Not Applicable
	Governance, leadership and oversight:	
7.	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:** Business responsibility has developed new trends in the sustainability landscape. These are driven by initiatives that translate the sustainability philosophy into actions that impact companies and their stakeholders. There is worldwide acceleration post-pandemic toward embracing sustainability. Our Company is also committed to integrating Environmental, Social and Governance (ESG) principles into its businesses practices which are essential for improving the quality of life of our stakeholders which include our employees and customers. Our ethics are paramount responsibility and we believe in transparency and accountability in everything we do. The Company emphasizes on measures to inculcate fair and beneficial business practices to the employees, workers and the community at large. It believe in providing equal opportunity to all the employees and workers and do not discriminate amongst them on the basis of their gender or physical abilities. Their well-being is the top priority of the Company and it provides them with hygienic and safe working conditions and atmosphere.	
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy (ies)**	The Board of Directors of the Company is responsible for implementation of Business Responsibility Policy.
9.	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**	Shri Ramesh Kumar Sharma, Executive Director, is designated as Business Responsibility Head. Business Responsibility Head may take support of such functional heads and other internal and external experts, as he may deems fit, for the effective implementation of the Policy.

10. Details of Review of NGRBCs by the Company

Subject for Review		Indicate whether review was undertaken by Director / Committee of the Board/any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Performance against above policies and follow up action	Director									There is no formal review of NGRBCs undertaken by the Company. However, Executive Director endeavor to ensure that the day to day operations of the Company including those by its employees follow the same.								
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Director																	

		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11.	**Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**	No								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	The Company's business operations and industry updates	100
Key Managerial Personnel	4	Regulatory updates and applicable codes and policies	100
Employees other than BoD and KMPs	310*	Induction / orientation and on the job training, customer policies, health and safety measures and applicable codes and policies	100
Workers	310*		100

* As it is an ongoing process, generally involved in the day to day business operations of the Company, hence, the Company has taken total number of training and awareness programmes based on total working days in the year excluding National Holidays and Sundays. Accordingly, %age of persons covered by the programmes is taken as 100%.

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty / Fine	Nil	-	Nil	-	-
Settlement	Nil	-	Nil	-	-
Compounding fee	Nil	-	Nil	-	-

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	-	-	-
Punishment	Nil	-	-	-

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

The Company has a zero tolerance for bribery and corruption in its business dealings. The employees of the Company shall not, directly or indirectly, solicit or accept any commission or any form of benefit arising out of a transaction involving the Company which might be extended at times to influence business decisions. The Company has incorporated the requirements of ethical conduct, anti-corruption and anti-bribery in Code of Conduct and Business Responsibility Policy, which can be accessed at https://corporate.pcjeweller.com/codes-policies/

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	Nil	Nil	Not Applicable
Capex	Nil	Nil	Not Applicable

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the Company has procedures in place for sustainable sourcing in the form of buy back and exchange of old jewellery.

b. If yes, what percentage of inputs were sourced sustainably?

The Company's raw materials consist of gold (bullion) and diamonds. These items do not deteriorate with time and can be reused again and again. The Company therefore encourages recycling and exchange of jewellery wherein its customers bring in their old jewellery to exchange the same for fresh items. The Company also buys back old jewellery. This ensures that the Company's demand for the fresh raw material is reduced considerably. In FY 2022-23 more than 70% of the Company's requirement of raw materials was met by recycling of old jewellery. The fresh gold bars consumed are procured from suppliers who in turn procure the same from RBI designated banks which import London Bullion Market Association certified gold ensuring highest purity and quality.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) Other waste:

(a) Plastics (including packaging): The Company has almost eliminated use of any type of plastics in its operations, including packaging.

(b) E-waste: Not Applicable, as the Company does not generate any e-waste.

(c) Hazardous waste: Not Applicable, as the Company does not generate any hazardous waste.

(d) Other waste: The Company's raw materials consist of fresh gold bars, recycled gold and cut & polished diamonds. Cut & polished diamonds are not processed in any manner but studded in the jewellery as such. In case of gold, its purity is reduced from 24kt to 22 kt which actually increases its physical quantity. The gold waste generated during conversion of gold in jewellery is collected back to minimize any loss as it is also a very high value item.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/ A)	Number (D)	% (D/ A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent employees											
Male	767	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	498	Nil	Nil	Nil	Nil	498	100	Nil	Nil	Nil	Nil
Total	**1,265**	**Nil**	**Nil**	**Nil**	**Nil**	**498**	**39.37**	**Nil**	**Nil**	**Nil**	**Nil**
Other than Permanent employees											
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/ A)	Number (D)	% (D/ A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent workers											
Male	173	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	5	Nil	Nil	Nil	Nil	5	100	Nil	Nil	Nil	Nil
Total	**178**	**Nil**	**Nil**	**Nil**	**Nil**	**5**	**2.81**	**Nil**	**Nil**	**Nil**	**Nil**
Other than Permanent workers											
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

2. Details of retirement benefits, for current Financial Year and previous Financial Year:

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	62.06	29.78	Yes	65.45	35.96	Yes
Gratuity	100	100	Not Applicable	100	100	Not Applicable
ESI	65.14	44.94	Yes	76.36	55.06	Yes

3. Accessibility of workplaces:

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company leases commercial premises for its showrooms / offices / factories. Currently these do not conform to the requirements of the Rights of Persons with Disabilities Act, 2016. However, the Company will take steps to rectify the same in due course.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company has incorporated the requirements of equal opportunity policy in the Employees Code of Conduct (available on the Company's HR Portal) and Business Responsibility Policy available at https://corporate.pcjeweller.com/codes-policies/

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to wrok rate	Retention rate	Return to wrok rate	Retention rate
Male	Not Applicable*			
Female	94.44	100	Nil	Nil
Total	**94.44**	**100**	**Nil**	**Nil**

* The Company do not provide any parental leave to its male employees and workers.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. They can raise their concerns or grievances either in writing or through e-mail with their in-charge or HR Head directly.
Other than Permanent Workers	Not applicable, as the Company do not have other than permanent workers.
Permanent Employees	Yes. They can raise their concerns or grievances either in writing or through e-mail with HODs or HR Head directly. The Company also has in place a Whistle Blower Policy, which provides a formal mechanism for all the employees to report about unethical behaviour, violation of the Company's Code of Conduct etc.
Other than Permanent Employees	Not applicable, as the Company do not have other than permanent employees.

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	**1,265**	**Nil**	**Nil**	**1,250**	**Nil**	**Nil**
- Male	767	Nil	Nil	786	Nil	Nil
- Female	498	Nil	Nil	464	Nil	Nil
Total Permanent Workers	**178**	**Nil**	**Nil**	**166**	**Nil**	**Nil**
- Male	173	Nil	Nil	162	Nil	Nil
- Female	5	Nil	Nil	4	Nil	Nil

8. **Details of training given to employees and workers:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	767	767	100	767	100	786	786	100	786	100
Female	498	498	100	498	100	464	464	100	464	100
Total	**1,265**	**1,265**	**100**	**1,265**	**100**	**1,250**	**1,250**	**100**	**1,250**	**100**
Workers										
Male	173	173	100	173	100	162	162	100	162	100
Female	5	5	100	5	100	4	4	100	4	100
Total	**178**	**178**	**100**	**178**	**100**	**166**	**166**	**100**	**166**	**100**

* As it is an ongoing process, generally involved in the day to day business operations of the Company, hence, the Company have taken that all the employees and workers were provided health and safety as well as skill upgradation training.

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	767	424	55.28	786	49	6.23
Female	498	239	47.99	464	5	1.08
Total	**1,265**	**663**	**52.41**	**1,250**	**54**	**4.32**
Workers						
Male	173	75	43.35	162	55	33.95
Female	5	3	60	4	2	50
Total	**178**	**78**	**43.82**	**166**	**57**	**34.34**

* The Company keeps on reviewing the performance of its employees and workers in routine course. However, the numbers mentioned here are based on the numbers of employees and workers whose salary increased during the year.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

No

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company's business operations includes manufacture, trade and sale of jewellery. Sale of jewellery mainly take place from retail showrooms and do not have any work related hazards. Manufacturing is mainly of handmade jewellery without involvement of any heavy machinery. At the same time regular inspections are done by the Company to identify work-related hazards and assess risks, if any. Whenever any hazard or risk is identified, the Company takes appropriate measures to mitigate the risk and prioritizes the safety of its employees and workers.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

No

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place:

The Company is committed to provide safe and healthy workplaces to its employees and workers focusing on preventing injuries, illnesses and continuously strives to reduce risks, if any. Some of the measures taken by the Company include (1) providing good quality chairs for comfortable seating; (2) clean and well-lit work premises; (3) adequate air conditioning systems; (4) RO water for drinking; (5) clean and separate toilets for male and female employees; and (6) installation and maintenance of fire safety systems etc.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices*	100
Working Conditions*	100

* Although no specific self-assessment done by the Company but the Company regularly reviews health and safety practices as well as working conditions, hence, 100% mentioned here.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No complaints were filed by the employees and workers in relation to health & safety as well as working conditions. Hence, no corrective measures were required.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has been in the same line of business for almost two decades now and by virtue of its long experience has identified employees, shareholders / investors, customers and vendors (suppliers) as its key stakeholders.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	E-mails, Phone, Staff meetings and Intranet portal.	Ongoing	Communication, reviews and grievance redressal, if any, etc.
Shareholders / Investors	No	E-mails, SMS, Website, Newspaper Advertisements, Annual Reports, General Meetings and Stock Exchanges Communications	Quarterly / Half-yearly / Annually and need based	Dissemination of information having a bearing on the performance /operations of the Company including price sensitive information, statutory disclosures, addressing shareholders' queries
Customers	No	Website, Newspaper Advertisements, Social Media, Phone, Personal Interactions	Ongoing	Customer acquisition, understand their preferences and demands, review of feedbacks and resolve grievances, if any.
Vendors (Suppliers)	No	SMS, E-mails, Phone, Personal Interactions	Need basis	Queries / suggestions / assurance etc.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

ESSENTIAL INDICATORS

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	1,265	1,265	100	1,250	1,250	100
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total	**1,265**	**1,265**	**100**	**1,250**	**1,250**	**100**
Workers						
Permanent	178	178	100	166	166	100
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total	**178**	**178**	**100**	**166**	**166**	**100**

* As it is an ongoing process, generally involved in the day to day business operations of the Company, hence, the Company have taken that all the employees and workers were provided training on human rights issue.

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	**1,265**	**Nil**	**Nil**	**1,265**	**100**	**1,250**	**Nil**	**Nil**	**1,250**	**100**
Male	767	Nil	Nil	767	100	786	Nil	Nil	786	100
Female	498	Nil	Nil	498	100	464	Nil	Nil	464	100
Other than Permanent	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Workers										
Permanent	**178**	**0**	**0**	**178**	**100**	**166**	**0**	**0**	**166**	**100**
Male	173	0	0	173	100	162	0	0	162	100
Female	5	0	0	5	100	4	0	0	4	100
Other than Permanent	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration / salary / wages of respective category (₹)	Number	Median remuneration / salary / wages of respective category (₹)
Board of Directors (BoD)*	5	48,56,016	1	1,20,000
Key Managerial Personnel#	2	81,69,444	Nil	Nil
Employees other than BoD and KMP@	764	2,71,344	498	2,29,836
Workers@	173	2,78,196	5	2,23,020

* Sitting fee of Independent Directors and salary of Executive Director

Salary

@ Median remuneration

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. Human Resource Department is responsible for addressing human rights issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company is committed to conducting business and dealing with all its stakeholders and staff with the highest ethical standards and in compliance with all applicable regulations. The Company ensure to maintain a healthy and safe environment for its workforce irrespective of their caste, gender, work, designation etc. The Company refrain from employing child labour, forced labour or any form of involuntary labour, paid or unpaid. Any complaint in this regard can be mailed to Executive Director or HR Head.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child labour	Nil	Nil	-	Nil	Nil	-
Forced labour / Involuntary labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company believe in providing equal opportunity to all and do not discriminate amongst them on the basis of their caste, gender or physical abilities. The Company also strongly favours women empowerment and endeavor to provide them more and more employment opportunities. The Company also have in place a Whistle Blower Policy, which provides a framework and empowers all the employees to report about unethical behavior, violation of the Company's Codes / Policies etc. in a confidential manner and provides reassurance that they will be protected from victimization for whistle blowing.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No. However, the Company always emphasizes on protection of human rights in all its business operations / dealings.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour*	100
Forced / Involuntary labour*	100
Sexual harassment*	100
Discrimination at workplace*	100
Wages*	100

* Although no specific self-assessment done by the Company but the Company regularly reviews these issues, hence, 100% mentioned here.

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No corrective action was taken or underway, as no significant risks / concern arises from the reviews undertaken by the Company.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	**FY 2022-23**	**FY 2021-22**
Total electricity consumption (A)	-*	-*
Total fuel consumption (B)	-*	-*
Energy consumption through other sources (C)	-*	-*
Total energy consumption (A+B+C)	-*	-*
Energy intensity per rupee of turnover		
(Total energy consumption/ turnover in rupees)	-*	-*
Energy intensity (optional) – the relevant metric may be selected by the entity	-*	-*

* Although the Company has metered electricity connections and fuel consumption, however, it is unable to compile the data in the required format.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) - No

If yes, name of the external agency.– Not Applicable

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable, as the Company do not fall under the PAT scheme of the Government of India.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	-*	-*
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	-*	-*
Water intensity per rupee of turnover		
(Water consumed / turnover)	-*	-*
Water intensity (optional) – the relevant metric may be selected by the entity	-*	-*

* Various locations of the Company have metered water connections from the local municipalities. However, it is unable to compile the data in the required format.

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) – No

If yes, name of the external agency.– Not Applicable

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

No, as the Company's business operations do not warrant any such requirement.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	-	Nil	Nil
SOx	-	Nil	Nil
Particulate matter (PM)	-	Nil	Nil
Persistent organic pollutants (POP)	-	Nil	Nil
Volatile organic compounds (VOC)	-	Nil	Nil
Hazardous air pollutants (HAP)	-	Nil	Nil
Others – please specify	-	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) – No

If yes, name of the external agency.– Not Applicable

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions			
(Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Nil	Nil
Total Scope 2 emissions			
(Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Nil	Nil
Total Scope 1 and Scope 2 emissions per rupee of turnover		Nil	Nil
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) - No

If yes, name of the external agency.– Not Applicable

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

No

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	Nil	Nil
E-waste **(B)**	Nil	Nil
Bio-medical waste **(C)**	Nil	Nil
Construction and demolition waste **(D)**	Nil	Nil
Battery waste **(E)**	Nil	Nil
Radioactive waste **(F)**	Nil	Nil
Other Hazardous waste. Please specify, if any. **(G)**	Nil	Nil
Other Non-hazardous waste generated **(H)**	Nil	Nil
Total (A+B + C + D + E + F + G + H)	**Nil**	**Nil**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	**Nil**	**Nil**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
Total	**Nil**	**Nil**

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) – No

If yes, name of the external agency.– Not Applicable

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company mainly manufactures handmade jewellery and has a negligible use of any chemicals in its manufacturing process. At the same time it promotes waste reduction and recycling through various measures such as minimizing the use of single-use plastics, discouraging wastage of papers, water and adopting energy-efficient technologies.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS

1. a. **Number of affiliations with trade and industry chambers/ associations.**

   3

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Results communicated in public domain (Yes / No)	Reach of trade and industry chambers/ associations(State/National)
1	The Associated Chambers of Commerce & Industry of India	National
2	Gems & Jewellery Export Promotion Council	National
3	Export Promotion Council for EOUs & SEZs	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain	Relevant Web link
Not Applicable					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The community members can share their concerns, if any, with the Company via e-mail address mentioned on the website.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs / small producers	Nil	Nil
Sourced directly from within the district and neighbouring districts	Nil	Nil

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The customers can approach the Company's showrooms for resolution of their queries, concerns and issues, if any. The Company has also provided a Toll-Free Number and an e-mail address on its website for the customers to contact the Company. In addition, the Company also takes feedbacks from its customers and addresses their issues, if any, as soon as possible.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Nil*
Safe and responsible usage	Nil*
Recycling and / or safe disposal	Nil*

* The Company's product is jewellery, which do not require disclosure of these information.

3. Number of consumer complaints in respect of the following:

Category	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Others	Nil	Nil	-	Nil	Nil	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	-
Forced recalls	Nil	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The Company do not have any specific policy on cyber security and risks related to data privacy. However, its Risk Management Policy covers risks related to cyber security and data privacy.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

The Company believes that sound corporate governance practices go a long way in retaining the trust and confidence of all the stakeholders. It always strives to adopt best corporate governance practices and maintain the highest ethical standards.

BOARD OF DIRECTORS

I) COMPOSITION

The Board of Directors (**"Board"**) of the Company has an optimum combination of Executive and Non-Executive Directors and more than 50% of the Board comprises of Non-Executive Directors in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"LODR Regulations"**).

The Board comprises of 7 Directors (2 Executive and 5 Non-Executive Directors including 1 Woman Director). Independent Directors constitute more than 70% of the Board's strength i.e. more than the requirements of the Companies Act, 2013 (the **"Act"**) and LODR Regulations. The Board of the Company comprises of the following Directors:

Name	Designation	Category
Shri Balram Garg	Managing Director	Promoter
Shri Ramesh Kumar Sharma	Executive Director	Non-Promoter
Dr. Manohar Lal Singla	Non – Executive Director	Independent Director
Shri Krishan Kumar Khurana		
Shri Miyar Ramanath Nayak		
Shri Suresh Kumar Jain		
Smt. Sannovanda Machaiah Swathi		

All the Directors of the Company are individuals of integrity and possesses relevant expertise and experience and none of them are related to each other.

II) INDEPENDENT DIRECTORS

The Board comprises of 5 Independent Directors including 1 Woman Director. All Independent Directors have submitted declarations with the Company that they fulfill the conditions of independence prescribed in the Act as well as LODR Regulations. In their declarations, all Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Board after assessing their disclosures confirms that all Independent Directors of the Company fulfill the conditions of independence specified in the Act and LODR Regulations and are independent of the management of the Company.

None of the Independent Directors of the Company serve as an Independent Director in more than the maximum permissible limit on number of directorships as an Independent Director and also has not crossed the maximum tenure of an Independent Director.

During the year, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure(s).

Independent Directors are made aware of their roles, responsibilities and liabilities at the time of appointment through a formal letter of appointment, which stipulates the terms and conditions of their appointment. Further, Executive Directors and Senior Management keep them updated about the Company, its business model, operations and the industry etc. The details of familiarisation programme imparted to Independent Directors during the year is available on the Company's website and can be accessed through the link https://corporate.pcjeweller.com/wp-content/uploads/2015/06/investors/corporate-governance/FY-21/Familiarisation-Programmes-During-FY2022-23.pdf

During the year, 1 meeting of Independent Directors was held on May 30, 2022 without the presence of Non-Independent Directors and members of the management of the Company. All the Independent Directors attended the meeting. Dr. Manohar Lal Singla, Chaired the meeting.

III) KEY SKILL MATRIX OF THE BOARD

The Board has identified mainly the following skills / expertise / competencies for the Directors for effective functioning of the Company:

Business and Strategy: Understanding of business dynamics, across various geographical areas and industry verticals. Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions.

Industry experience and knowledge: Knowledge and experience in the jewellery industry to provide strategic guidance to the management.

Financial and Risk Management: Wide-ranging financial skills, accounting and reporting, corporate finance and internal controls, including assessing quality of financial controls, identify the key risks to the Company and monitor the effectiveness of the risk management framework and practices.

Governance: Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long term effective stakeholder engagements and driving corporate ethics and values.

The skills / expertise / competencies possessed by the Directors of the Company have been highlighted in the below table. However, the absence of mark (√) against a Director's name does not mean that Director does not possess the corresponding skills or competencies.

Name	Skills / Expertise / Competencies			
	Business and strategy	Industry experience and knowledge	Financial and Risk Management	Governance
Shri Balram Garg	√	√	√	√
Shri Ramesh Kumar Sharma	√	√	√	√
Dr. Manohar Lal Singla	√	√	√	-
Shri Krishan Kumar Khurana	-	√	√	√
Shri Miyar Ramanath Nayak	-	√	√	√
Shri Suresh Kumar Jain	-	-	√	√
Smt. Sannovanda Machaiah Swathi	√	-	√	√

IV) BOARD MEETINGS AND ATTENDANCE

During the year 5 meetings of the Board were held and the gap between any two meetings did not exceed 120 days. The requisite quorum was present at all the Board meetings held during the year.

The Directors were provided all the relevant information and details required for taking informed decisions at the Board meetings. The dates of meetings of the Board, attendance of the Directors thereat and at last Annual General Meeting (**"AGM"**) of the Company are as under:

Name	Meetings					AGM
	May 30, 2022	July 23, 2022	August 9, 2022	October 27, 2022	February 14, 2023	September 30,2022
Shri Balram Garg	√	√	√	√	√	√
Shri Ramesh Kumar Sharma	√	√	√	√	√	√
Dr. Manohar Lal Singla	√	√	-	√	√	-
Shri Krishan Kumar Khurana	√	√	√	√	√	√
Shri Miyar Ramanath Nayak	√	-	√	√	√	√
Shri Suresh Kumar Jain	√	-	-	√	-	√
Smt. Sannovanda Machaiah Swathi	√	-	√	√	-	√

V) OUTSIDE DIRECTORSHIPS AND THE COMMITTEES POSITIONS

The details of outside directorships, memberships / chairmanships of Audit Committee and Stakeholders Relationship Committee in Indian public companies as well as directorships in other listed companies and category, as at the end of the year under review, are as under:

Name	Number of outside directorships@	Number of outside committee memberships / Chairmanships		Directorships in other listed companies and category
		Member	Chairman	
Shri Balram Garg	3	Nil	Nil	None
Shri Ramesh Kumar Sharma	Nil	Nil	Nil	None
Dr. Manohar Lal Singla	Nil	Nil	Nil	None
Shri Krishan Kumar Khurana	Nil	Nil	Nil	None
Shri Miyar Ramanath Nayak	2	1	Nil	**Independent Director**: - Asian Star Company Limited - TARC Limited
Shri Suresh Kumar Jain	3	4	1	**Independent Director:** - Fino Payments Bank Limited **Professional Director**: - IFCI Factors Limited*
Smt. Sannovanda Machaiah Swathi	3	5	Nil	**Independent Director:** - Simplex Castings Limited - Bhartiya International Limited

@Excludes directorships in foreign companies, private companies (except subsidiary of a public company) and companies under Section 8 of the Act

* Debt listed

In compliance with Regulation 26 of LODR Regulations, all the Directors of the Company have made the disclosures about the committee positions held by them. None of the Directors of the Company are members of more than ten committees or act as the Chairman of more than five committees across all the companies in which they are Directors.

VI) REMUNERATION OF THE DIRECTORS

Non-Executive Directors of the Company are paid sitting fee of ₹ 40,000/- for attending each meeting of the Board and ₹ 10,000/- for attending each meeting of the Committees of the Board, as approved by the Board and within the limits prescribed under the Act. The Company also pays / reimburses out-of-pocket expenses, if any, incurred by them for attending the meetings. The details of remuneration of the Directors during the year under review are as under:

(₹ in lakh)

Name	Sitting Fee	Salary	Bonus / Ex-gratia / Commission / Pension	Total
Shri Balram Garg	Nil	Nil	Nil	Nil
Shri Ramesh Kumar Sharma	Nil	37.21	3.25	40.46
Dr. Manohar Lal Singla	2.20	Nil	Nil	2.20
Shri Krishan Kumar Khurana	3.00	Nil	Nil	3.00
Shri Miyar Ramanath Nayak	2.00	Nil	Nil	2.00
Shri Suresh Kumar Jain	0.90	Nil	Nil	0.90
Smt. Sannovanda Machaiah Swathi	1.20	Nil	Nil	1.20

During the year under review, neither any performance linked incentives were paid nor were any stock options granted to the Directors. Further, none of the Non-Executive Directors has any pecuniary relationship or transaction vis-a-vis the Company.

The appointments of Managing Director and Executive Director are governed by the resolutions passed by the Board and Members of the Company, which cover the terms and conditions of their appointments read with the service rules of the Company. The services of Managing Director and Executive Director may be terminated by either party by giving the other party three months' notice or paying three months' salary in lieu thereof. There is no separate provision for payment of severance fee under the resolutions governing their appointments.

VII) NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY THE DIRECTORS

The number of shares and convertible instruments of the Company held by the Directors as on March 31, 2023 are as under:

Name	Equity shares	Convertible instruments
Shri Balram Garg	20,42,82,100	Nil
Shri Ramesh Kumar Sharma	1,32,500	Nil
Dr. Manohar Lal Singla	Nil	Nil
Shri Krishan Kumar Khurana	Nil	Nil
Shri Miyar Ramanath Nayak	Nil	Nil
Shri Suresh Kumar Jain	Nil	Nil
Smt. Sannovanda Machaiah Swathi	Nil	Nil

VIII) CODE OF CONDUCT

The Board has laid down a Code of Conduct for the Directors and Senior Management of the Company. This Code is placed on the Company's website www.pcjeweller.com. All the Directors and Senior Management of the Company have affirmed compliance with the Code and a declaration to that effect by Shri Balram Garg, Managing Director is attached to this report as **Annexure - 1.**

COMMITTEES OF THE BOARD

The Committees of the Board are set up by the Board and are governed by their respective terms of reference. These Committees play a pivotal role in the governance of the Company. The minutes of the meetings of all the Committees of the Board are placed before the Board.

There are 6 Committees of the Board as on March 31, 2023, details of which are as under:

I) AUDIT COMMITTEE

A) COMPOSITION AND TERMS OF REFERENCE

Audit Committee comprises of 4 Directors including 3 Independent Directors. Dr. Manohar Lal Singla, Independent Director is the Chairman of the Committee. All members of the Committee are financially literate and having requisite accounting or related financial management expertise. The composition of the Committee and its terms of reference are in compliance with the Act and LODR Regulations. The Company Secretary acts as the Secretary to the Committee.

The role and terms of reference of the Committee, inter-alia, includes oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible; recommendation for appointment, remuneration and terms of appointment of auditors of the company; reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval; reviewing, with the management, the quarterly financial statements before submission to the board for approval; approval or any subsequent modification of transactions of the company with related parties; reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems; discussion with internal auditors of any significant findings and follow up there on; to review the functioning of the whistle blower mechanism; approval of appointment of Chief Financial Officer.

B) MEETINGS AND ATTENDANCE

During the year 4 meetings of the Committee were held. The dates of meetings and attendance of the Committee members thereat were as under:

Name & Category	Meetings			
	May 30, 2022	August 9, 2022	October 27, 2022	February 14, 2023
Dr. Manohar Lal Singla Chairman - Independent Director	√	-	√	√
Shri Krishan Kumar Khurana Member - Independent Director	√	√	√	√
Shri Miyar Ramanath Nayak Member - Independent Director	√	√	√	√
Shri Balram Garg Member - Managing Director	√	√	√	√

The representative of Dr. Manohar Lal Singla, Chairman of the Committee attended the last AGM of the Company held on September 30, 2022.

II) NOMINATION AND REMUNERATION COMMITTEE

A) COMPOSITION AND TERMS OF REFERENCE

Nomination and Remuneration Committee comprises of 3 Independent Directors. Shri Krishan Kumar Khurana, Independent Director is the Chairman of the Committee. The composition of the Committee and its terms of reference are in compliance with the Act and LODR Regulations.

The terms of reference of the Committee, inter-alia, includes identifying persons who are qualified to become directors and who may be appointed in senior management, and recommend to the Board their appointment and removal; formulation of the criteria for determining qualifications, positive attributes and independence of a director; recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees; formulation of criteria or specifying the manner for evaluation of performance of the Board, its Committees and Directors and review its implementation and compliance; considering and recommending grant of employees stock options, if any, as well as administration and superintendence of the same; consider extension or continuance of the term of appointment of Independent Director.

B) MEETINGS AND ATTENDANCE

During the year 1 meeting of the Committee was held. The date of meeting and attendance of the Committee members thereat was as under:

Name & Category	Meetings
	May 30, 2022
Shri Krishan Kumar Khurana Chairman - Independent Director	√
Dr. Manohar Lal Singla Member - Independent Director	√
Shri Suresh Kumar Jain Member - Independent Director	√

Shri Krishan Kumar Khurana, Chairman of the Committee was present at the last AGM of the Company held on September 30, 2022.

C) PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The Company has in place the Board approved criteria for evaluation of performance of individual Directors including Independent Directors. The process of performance evaluation is based on the evaluation forms, which include a rating mechanism. The criteria for annual performance evaluation of Independent Directors amongst others includes their attendance and contribution at the meetings, devotion of time and effort to understand the Company, its business, their duties and responsibilities, impact and influence on the Board / Committees and adherence to the Code of Conduct etc. The performance of Independent Directors is evaluated by Nomination and Remuneration Committee as well as the Board on the basis of evaluation forms received from all the Directors except the Director being evaluated.

III) STAKEHOLDERS RELATIONSHIP COMMITTEE

A) COMPOSITION AND TERMS OF REFERENCE

Stakeholders Relationship Committee comprises of 3 Directors including 1 Independent Director. Shri Krishan Kumar Khurana, Independent Director is the Chairman of the Committee. The composition of the Committee and its terms of reference are in compliance with the Act and LODR Regulations.

The terms of reference of the Committee, inter-alia, includes considering and resolving the grievances of security holders of the Company; review of measures taken for effective exercise of voting rights by shareholders; evaluating performance of the Registrar and Share Transfer Agent; review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

B) MEETINGS AND ATTENDANCE

During the year 2 meetings of the Committee were held. The dates of meetings and attendance of the Committee members thereat were as under:

Name & Category	Meetings	
	May 30, 2022	October 27, 2022
Shri Krishan Kumar Khurana Chairman - Independent Director	√	√
Shri Balram Garg Member - Managing Director	√	√
Shri Ramesh Kumar Sharma Member - Executive Director	√	√

Shri Krishan Kumar Khurana, Chairman of the Committee was present at the last AGM of the Company held on September 30, 2022.

C) COMPLIANCE OFFICER

Shri Vijay Panwar, Company Secretary of the Company is the Compliance Officer.

D) DETAILS OF SHAREHOLDERS' / INVESTORS' COMPLAINTS RECEIVED AND RESOLVED

Complaints pending as on April 1, 2022	Received during the year 2022-23	Resolved during the year 2022-23	Complaints pending as on March 31, 2023
0	7	7	0

The Company has designated an e-mail id viz. investors@pcjeweller.com for redressal of shareholders'/ investors' complaints / grievances.

IV) RISK MANAGEMENT COMMITTEE

A) COMPOSITION AND TERMS OF REFERENCE

Risk Management Committee comprises of 3 Directors including 1 Independent Director. Shri Balram Garg, Managing Director is the Chairman of the Committee. The composition of the Committee and its terms of reference are in compliance with LODR Regulations.

The terms of reference of the Committee, inter-alia, includes to formulate, monitor and review Risk Management Policy; monitor and evaluate risks and review of appointment / removal and terms of remuneration of Chief Risk Officer etc.

B) MEETINGS AND ATTENDANCE

During the year 2 meetings of the Committee were held. The dates of meetings and attendance of the Committee members thereat are as under:

Name & Category	Meetings	
	July 23, 2022	December 19, 2022
Shri Balram Garg Chairman - Managing Director	√	√
Shri Ramesh Kumar Sharma Member - Executive Director	√	√
Shri Krishan Kumar Khurana Member - Independent Director	√	-

V) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

A) COMPOSITION AND TERMS OF REFERENCE

Corporate Social Responsibility Committee comprises of 3 Directors including 2 Independent Directors. Dr. Manohar Lal Singla, Independent Director is the Chairman of the Committee. The composition of the Committee and its terms of reference are in compliance with the Act.

The terms of reference of the Committee, inter-alia, includes to formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013; to recommend the amount of expenditure to be incurred on CSR activities and to monitor the implementation of the projects, programs and activities undertaken by the Company thereunder from time to time.

B) MEETINGS AND ATTENDANCE

During the year 2 meetings of the Committee were held. The dates of meetings and attendance of the Committee members thereat were as under:

Name & Category	Meetings	
	July 23, 2022	February 14, 2023
Dr. Manohar Lal Singla Chairman - Independent Director	√	√
Shri Krishan Kumar Khurana Member - Independent Director	√	√
Shri Ramesh Kumar Sharma Member - Executive Director	√	√

VI) MANAGEMENT & FINANCE COMMITTEE

A) COMPOSITION AND TERMS OF REFERENCE

Management & Finance Committee comprises of 3 Directors including 1 Independent Director. Shri Balram Garg, Managing Director is the Chairman of the Committee.

The terms of reference of the Committee, inter-alia, includes to avail financial / banking facilities; to open, close and decide the mode of operation of the Bank accounts of the Company; to open / shift etc. showrooms / factories etc. and do other necessary and ancillary acts relevant thereto; to apply for registrations, licenses, approvals etc., to approve taking on lease, hire or purchase any movable or immovable property and also to approve cancellation of lease etc.; to enter in to contracts / agreement(s) / memorandum of understanding(s) and authorise persons to sign & execute contracts, deeds, bonds, etc.; to file, contest, defend, withdraw or compromise complaints, suits, appeals, etc.; and carrying out any other functions as the Board may decide from time to time.

B) MEETINGS AND ATTENDANCE

During the year 1 meeting of the Committee was held. The date of meeting and attendance of the Committee members thereat was as under:

Name & Category	Meeting
	May 31, 2022
Shri Balram Garg Chairman - Managing Director	√
Shri Ramesh Kumar Sharma Member - Executive Director	√
Shri Krishan Kumar Khurana Member - Independent Director	-

INFORMATION ON GENERAL BODY MEETINGS

I) DETAILS OF DATE, TIME AND VENUE OF LAST THREE ANNUAL GENERAL MEETINGS AND SPECIAL RESOLUTIONS PASSED THEREIN

Year	Date & Time	Venue	Special Resolution(s) passed
2021-22	September 30, 2022 at 1:00 P.M.	Through Video Conferencing / Other Audio Visual Means	1. Re-appointment of Smt. Sannovanda Machaiah Swathi as an Independent Director.
2020-21	September 30, 2021 at 1:00 P.M.	Through Video Conferencing / Other Audio Visual Means	1. Ratification / approval of payment of remuneration to Shri Ramesh Kumar Sharma, Whole-time Director. 2. Re-appointment of Shri Ramesh Kumar Sharma as Whole-time Director.
2019-20	August 7, 2020 at 1:00 P.M.	Through Video Conferencing / Other Audio Visual Means	None

II) POSTAL BALLOT

During the year under review no special resolution was passed through Postal Ballot. Also no special resolution is proposed to be conducted through Postal Ballot on or before the 18th AGM of the Company.

SUBSIDIARY COMPANIES

During the year under review, the Company has following wholly owned subsidiaries:

1) PC Universal Private Limited
2) Transforming Retail Private Limited*

3) Luxury Products Trendsetter Private Limited
4) PCJ Gems & Jewellery Limited
5) PC Jeweller Global DMCC

* Ceased to be subsidiary in March 2023

None of the aforesaid is a material subsidiary as defined under LODR Regulations. All the subsidiaries are managed by their respective Board of Directors / management in the best interest of the stakeholders. The requirements of LODR Regulations with regard to subsidiary companies have been complied with to the extent applicable.

The Board has formulated a Policy on Material Subsidiaries, which is available on the Company's website and can be accessed through the link https://corporate.pcjeweller.com/wp-content/uploads/2015/06/investors/corporate-governance/fy-20/Policy-on-Material-Subsidiaries.pdf

MD / CFO CERTIFICATION

In terms of Regulation 17(8) of LODR Regulations, a Certificate by Managing Director and Chief Financial Officer of the Company for the financial year ended March 31, 2023 was placed before the Board and the same is annexed as **Annexure - 2**.

CERTIFICATE REGARDING NON-DEBARMENT OF THE DIRECTORS

None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the companies by Securities and Exchange Board of India (**"SEBI"**) / Ministry of Corporate Affairs or any such statutory authority and a certificate to this effect by M/s Kirti Dureja & Co., Company Secretaries is annexed as **Annexure - 3**.

DISCLOSURES

I) MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

The Company had not entered into any related parties transactions, which could be considered as material in accordance with the Company's Policy on Materiality of and Dealing with Related Party Transactions. Details of related party transactions have been disclosed in Note 37 of the standalone financial statements. These transactions did not have any potential conflict with the interest of the Company at large. The Policy on Materiality of and Dealing with Related Party Transactions is available on the Company's website and can be accessed through the link https://corporate.pcjeweller.com/wp-content/uploads/2015/06/investors/corporate-governance/fy-20/Policy-on-Materiality-of-and-Dealing-with-Related-Party-Transaction2.pdf

II) ACCOUNTING TREATMENT

The financial statements of the Company have been prepared in accordance with the accounting principles applicable in India including Indian Accounting Standards (IND AS) specified under Section 133 of the Act read with the rules made thereunder. The financial statements have been prepared on a going concern basis and the accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

III) DISCLOSURE ON NON-ACCEPTANCE OF ANY RECOMMENDATION OF ANY COMMITTEE BY THE BOARD, WHICH IS MANDATORILY REQUIRED

There was no such instance during the year under review when the Board had not accepted any recommendation of any Committee of the Board.

IV) DETAILS OF NON-COMPLIANCE, PENALTIES ETC. REGARDING MATTERS RELATED TO CAPITAL MARKET

There have been no instances of non-compliance on any matter as regards the rules and regulations prescribed by the stock exchanges, SEBI or any other statutory authority relating to capital markets during the last three years except that the gap between two consecutive meetings of Risk Management Committee held during financial year 2021-22 was more than 180 days and the Company had complied with the requirements of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated November 21, 2019 and Regulation 24A(2) of LODR Regulations for financial year 2020-21 after the prescribed timeline.

No penalty or stricture was imposed on the Company by any stock exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years. However, the Company had paid fine of ₹ 77,880/- (including GST) to both BSE Limited (**"BSE"**) and National Stock Exchange of India Limited (**"NSE"**) in accordance with stock exchange SOP circular for delayed compliance of Regulation 24A(2) of LODR Regulations for the financial year 2020-21.

V) WHISTLE BLOWER POLICY

The vigil mechanism as envisaged in the Act and LODR Regulations is implemented by the Company by means of a Whistle Blower Policy. The Policy provides a mechanism for the Directors and employees of the Company to report about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and leak of unpublished price sensitive information etc. and provides reassurance that they will be protected from reprisals or victimization for whistle blowing. No personnel of the Company had been denied access to Audit Committee.

During the year under review, the Company had not received any complaint under Whistle Blower Policy and no complaint was pending as on March 31, 2023. The Policy is available on the Company's website and can be accessed through the link https://corporate.pcjeweller.com/wp-content/uploads/2015/06/investors/corporate-governance/fy-20/Whistle-Blower-Policy.pdf

VI) DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY REQUIREMENTS

The Company has complied with the mandatory requirements of corporate governance stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) of LODR Regulations. The certificate from Practicing Company Secretary regarding compliance with the conditions of corporate governance is annexed with the Directors' Report.

The extent to which the non-mandatory requirements have been adopted by the Company are as under:

a) **Shareholders Rights:** Quarterly / half yearly / annual results are published in the leading newspapers and also uploaded on the websites of the Company as well as BSE and NSE.

b) **Reporting by internal auditor:** Internal auditor of the Company periodically reports to Managing Director and also has direct access to Audit Committee.

VII) NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT

There have been no instances of non-compliance of any requirement of Corporate Governance Report as prescribed under LODR Regulations.

VIII) COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES

The disclosures regarding commodity risks as per SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 are as under:

a) **Total exposure of the Company to commodities:** ₹ 1,597.85 crore

b) **Exposure of the Company to various commodities:**

Commodity Name	Exposure towards the particular commodity (₹ in crore)	Exposure in quantity terms towards the particular commodity (Kg)	% of such exposure hedged through commodity derivatives				
			Domestic Market		Export Market		Total
			OTC	Exchange	OTC	Exchange	
Bullion (Gold)	1,590.88	3,413.93	-	-	-	-	-
Silver	6.97	1,188.70	-	-	-	-	-

c) **Commodity risk faced by the Company during the year and how they have been managed:** The Company is exposed to price fluctuations on account of gold and silver prices. However, this exposure has been calculated at FIFO rates whereas the market price is considerably higher than the same. The Company's risk of exposure is therefore mitigated almost completely.

IX) PROHIBITION OF INSIDER TRADING

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has adopted 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' to ensure fair and adequate disclosure of unpublished price sensitive information and 'Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons' to regulate, monitor and report trading by Designated Persons and their immediate relatives.

X) LOANS AND ADVANCES

The details of loans and advances in the nature of loans to firms / companies in which Directors are interested have been disclosed in Note 37 of the standalone financial statements for the financial year ended March 31, 2023.

XI) DISCLOSURE IN RELATION TO THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review, the Company had not received any complaint on sexual harassment and no complaint was pending as on March 31, 2023.

XII) FEE PAID TO STATUTORY AUDITOR

Total fee (including re-imbursement of expenses) for all the services paid by the Company and its subsidiaries, on a consolidated basis, to statutory auditor and all entities in the network firm / network entity of which statutory auditor is a part for the financial year 2022-23 was ₹ 0.54 crore.

XIII) DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT

The Company had not raised any funds through preferential allotment or qualified institutions placement during the year under review.

XIV) PARTICULARS OF SENIOR MANAGEMENT

Particulars of Senior Management of the Company as on March 31, 2023 are as under:

Name	Designation
Shri Sanjeev Bhatia	Chief Financial Officer
Shri Nitin Gupta	President (Manufacturing)
Ms. Sheiba Anand	President (Retail Operations)
Shri Raja Ram Sugla	President (Accounts & Taxation)
Shri Kuldeep Singh	President (Accounts & Audit)
Shri Vivek Jain	Chief Technical Officer
Shri Vijay Panwar	Company Secretary
Shri Ram Avtar Yadav	AVP (Human Resource)
Shri Rahul Jain	AVP (Media)

No changes in the senior management of the Company took place since close of the previous financial year except that Shri Ram Avtar Yadav and Shri Rahul Jain were covered within senior management w.e.f. February 14, 2023 pursuant to amendment in the definition of senior management by SEBI vide notification dated January 17, 2023.

XV) DISCLOSURE OF AGREEMENTS IMPACTING MANAGEMENT OR CONTROL

No such agreements were entered into during the year, which will impact the management or control of the Company. Hence, no disclosure under Clause 5A of Paragraph A of Part A of Schedule III of LODR Regulations was required.

MEANS OF COMMUNICATION

The financial results of the Company are submitted with BSE and NSE electronically through BSE Listing Centre and NEAPS respectively. The results are also available on the Company's website www.pcjeweller.com and are published in leading newspapers normally Financial Express (English) and Jansatta (Hindi).

Annual Reports, notices of the meetings and other communications are sent to Members through permitted modes. Management presentations on quarterly results, quarterly shareholding patterns, Annual Reports and other important information submitted by the Company with BSE and NSE from time to time are also displayed on the Company's website under Investors section.

GENERAL SHAREHOLDER INFORMATION

I) ANNUAL GENERAL MEETING

Day & Date	:	Saturday, September 30, 2023
Time	:	11:00 A.M.
Venue	:	Meeting will be held through Video Conferencing (**"VC"**) / Other Audio Visual Means (**"OAVM"**) facility. (Deemed Venue-Regd. Office: PC Jeweller Limited, C-54, Preet Vihar, Vikas Marg, Delhi-110092)

II) FINANCIAL YEAR

1st April to 31st March

III) DIVIDEND PAYMENT DATE

The Board of the Company has not recommended any dividend for the year.

IV) LISTING ON STOCK EXCHANGES,STOCK CODE & LISTING FEE PAYMENT

The Company's equity shares are listed on the following exchanges:

Name and address of the Stock Exchange	Stock Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	534809
National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400051	PC JEWELLER

The Company has already paid the annual listing fee for the financial year 2023-24 to both the exchanges.

V) MARKET PRICE DATA

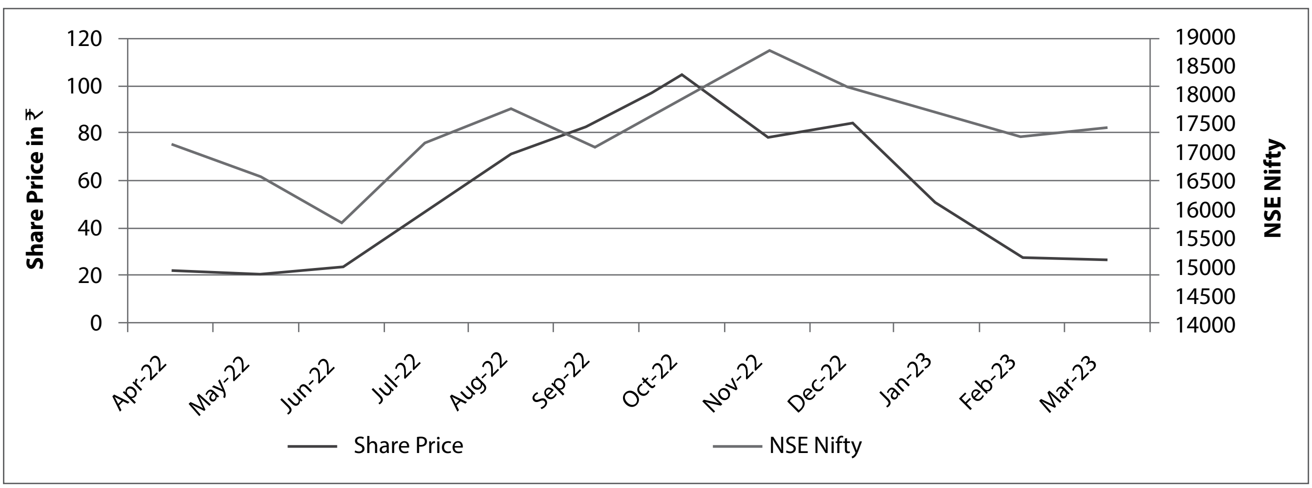
The monthly high and low prices of the equity shares of the Company at BSE and NSE during the year are as under:

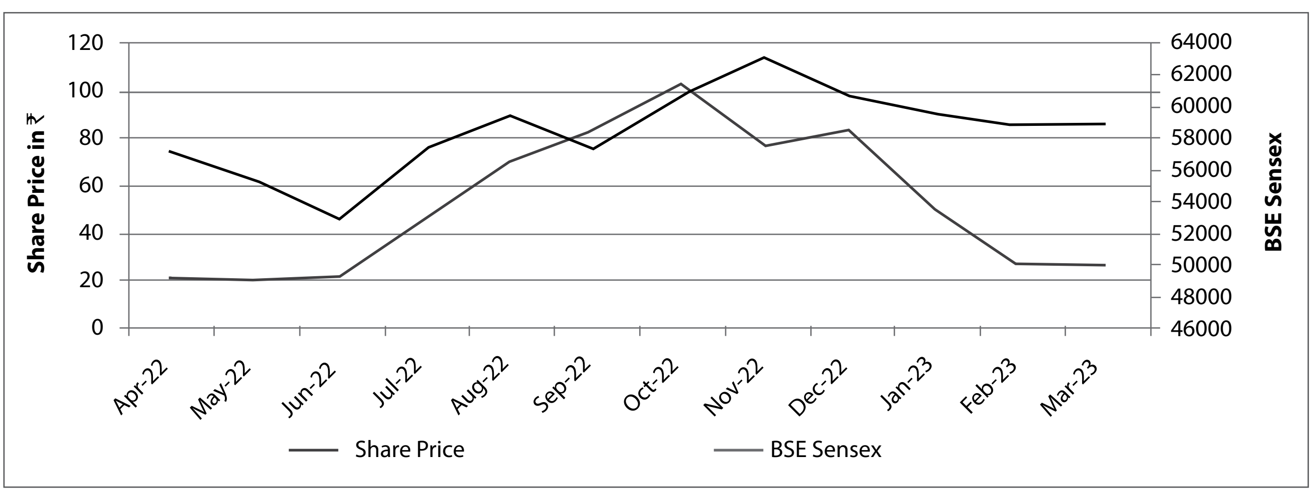
Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2022	26.75	21.00	26.80	21.10
May, 2022	22.90	18.70	22.95	18.90
June, 2022	25.40	20.05	25.50	20.05
July, 2022	58.45	22.65	57.55	22.65
August, 2022	73.00	47.70	73.10	47.60
September, 2022	93.70	66.95	93.70	67.00
October, 2022	104.90	81.10	105.50	82.25
November, 2022	104.90	73.00	104.25	73.10
December, 2022	91.35	69.90	91.50	70.30
January, 2023	86.80	50.50	86.90	50.45
February, 2023	48.00	21.40	47.95	21.30
March, 2023	38.22	25.20	37.95	25.05

(Source: www.bseindia.com & www.nseindia.com)

VI) PERFORMANCE IN COMPARISON TO BROAD – BASED INDICES – BSE SENSEX AND NSE NIFTY

Performance of the Company's equity shares on BSE and NSE as compared to Sensex and Nifty during the year is as under:





VII) REGISTRAR AND TRANSFER AGENT

KFin Technologies Limited (Formerly KFin Technologies Private Limited)

Selenium Tower B, Plot No.31-32, Financial District,

Nanakramguda, Serilingampally Mandal, Hyderabad - 500032 (Telangana)

Toll Free No.: 1800-309-4001, E-mail: einward.ris@kfintech.com

VIII) SHARE TRANSFER SYSTEM

In terms of Regulation 40(1) of LODR Regulations, securities can be transferred only in dematerialized form w.e.f. April 1, 2019 except in case of request received for transmission or transposition of securities. In view of the same and to eliminate the risks associated with physical shares, Members are advised to dematerialize shares held by them in physical form. Transfer of shares in dematerialized mode is done only through the depositories without any involvement of the Company.

IX) TRANSFER OF UNPAID / UNCLAIMED DIVIDEND / EQUITY SHARES TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

As per Section 125 of the Act, any dividend amount remaining unpaid / unclaimed for a period of 7 years from the date of transfer to unpaid dividend account, is required to be transferred to IEPF. Further, as per Section 124 of the Act read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares on which dividend remained unpaid / unclaimed for 7 consecutive years are also required to be transferred to the demat account of IEPF Authority. Accordingly, the Company has transferred unclaimed final dividend for the financial year 2014-15 amounting to ₹ 2,54,118/- and 1,202 equity shares to IEPF during the year under review.

Those Members, whose unclaimed dividends / shares have been transferred to IEPF, are advised to visit the weblink https://www.iepf.gov.in/IEPF/refund.html to claim the same by making an application to IEPF Authority in e-Form IEPF-5 and following the procedure prescribed there. No claim shall lie against the Company in respect of unclaimed dividend and shares transferred to IEPF.

The details of year wise amount of unclaimed dividend as on March 31, 2023 and the due dates for their transfer to IEPF are as under:

Financial year	Date of declaration	Unclaimed dividend Amount (₹)	Due date of transfer to IEPF
2015-16	September 19, 2016	1,11,310.45	October 26, 2023
2016-17	September 8, 2017	30,598.00	October 13, 2024
2017-18	September 29, 2018	5,19,575.00	November 2, 2025

X) DISTRIBUTION OF SHAREHOLDING

The distribution of shareholding of the Company as on March 31, 2023 is as under:

Number of Shares	Shareholders		Equity Shares	
	Number	% of Total	Number	% of Total
1 - 500	1,64,800	85.31	1,76,95,079	3.80
501 – 1,000	13,162	6.81	1,03,09,226	2.22
1,001 – 2,000	7,410	3.84	1,10,10,690	2.37
2,001 – 3,000	2,483	1.29	62,86,964	1.35
3,001 – 4,000	1,280	0.66	45,72,666	0.98
4,001 – 5,000	882	0.46	41,18,590	0.88
5,001 – 10,000	1,530	0.79	1,10,14,573	2.37
10,001 – 20,000	751	0.39	1,07,02,964	2.30
20,001 & above	887	0.46	38,96,93,144	83.73
Total	**1,93,185**	**100.00**	**46,54,03,896**	**100.00**

XI) SHAREHOLDING PATTERN

The shareholding pattern of the Company as on March 31, 2023 is as under:

Category of Shareholders	Number of Shareholders	Number of Equity Shares	% of Shareholding
A) Promoter & Promoter Group:			
Individuals & HUF (Indian)	6	25,38,01,596	54.53
Total Promoter & Promoter Group Shareholding (A)	**6**	**25,38,01,596**	**54.53**
B) Public Shareholding:			
1) Institutions			
Foreign Portfolio Investors	60	76,92,883	1.65
Insurance Companies	1	67,51,662	1.45
NBFC	2	1,99,204	0.04
Sub-Total B(1)	**63**	**1,46,43,749**	**3.15**
2) Non-Institutions			
Resident Individuals	1,89,843	14,22,62,908	30.57
Bodies Corporate	359	4,01,28,518	8.62
HUF	1,796	96,59,384	2.08
Non Resident Indians	1,057	39,86,270	0.86
Clearing Members	56	5,99,403	0.13
Key Managerial Personnel	2	1,83,971	0.04
Directors	1	1,32,500	0.03
IEPF	1	3,634	0.00
Promoters and their relatives	1	1,963	0.00
Sub-Total B(2)	**1,93,116**	**19,69,58,551**	**42.32**
Total Public Shareholding B=B(1)+B(2)	**1,93,179**	**21,16,02,300**	**45.47**
Grand Total (A+B)	**1,93,185**	**46,54,03,896**	**100.00**

XII) DEMATERIALIZATION OF SHARES AND LIQUIDITY

The equity shares of the Company are traded in dematerialized form and are available for trading on both the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2023 total of 46,54,03,116 equity shares constituting almost 100% of the issued, subscribed and paid-up equity share capital of the Company are held in dematerialized form in the following manner:

Name of the Depository	Number of Equity Shares	%of Shareholding
National Securities Depository Limited	11,04,17,012	23.72
Central Depository Services (India) Limited	35,49,86,104	76.27

XIII) OUTSTANDING GDRS / ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

No GDRs / ADRs / Warrants or any convertible instruments have been issued by the Company during the year under review and nothing is outstanding as on March 31, 2023.

XIV) CREDIT RATINGS

The Company has not mandated for any credit ratings during the year under review.

XV) PLANT LOCATIONS

The Company's manufacturing units are located at:

1) Plot No. 65, Noida Special Economic Zone, Noida (Uttar Pradesh)
2) 142A/3, Noida Special Economic Zone, Noida (Uttar Pradesh)
3) First Floor, Plot No. 65, Noida Special Economic Zone, Noida (Uttar Pradesh)
4) J - 59, Sector - 63, Noida (Uttar Pradesh)

XVI) ADDRESS AND CONTACT DETAILS FOR CORRESPONDENCE

PC Jeweller Limited
Regd. Office: C-54, Preet Vihar, Vikas Marg, Delhi - 110092
Tel: 011-49714971, Fax: 011-49714972
E-mail: investors@pcjeweller.com
Website: www.pcjeweller.com

Annexure – 1

DECLARATION BY MANAGING DIRECTOR

[Under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors,
PC Jeweller Limited
C – 54, Preet Vihar,
Vikas Marg, Delhi - 110092

I, Balram Garg, Managing Director of the Company hereby confirm that all the members of the Board of Directors and Senior Management of the Company have affirmed compliance with **'Code of Conduct for Directors and Senior Management'** for the financial year ended March 31, 2023.

For **PC Jeweller Limited**

Sd/-

(BALRAM GARG)
Managing Director
DIN: 00032083

Place: Delhi
Date: May 10, 2023

Annexure – 2

MD / CFO CERTIFICATE

To,
The Board of Directors,
PC Jeweller Limited
C – 54, Preet Vihar,
Vikas Marg, Delhi - 110092

Sub.: Compliance certificate pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Balram Garg, Managing Director and Sanjeev Bhatia, Chief Financial Officer of PC Jeweller Limited ('the **Company**'), hereby certify that:

a) We have reviewed financial statements and the cash flow statement of the Company for the year ended March 31, 2023 and that to the best of our knowledge and belief:

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.

d) We have indicated to the auditors and Audit committee:

   i) significant changes, if any, in internal control over financial reporting during the year;

   ii) significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and

   iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **PC Jeweller Limited**

	Sd/-	Sd/-
Place: Delhi	(SANJEEV BHATIA)	(BALRAM GARG)
Date: May 30, 2023	**Chief Financial Officer**	**Managing Director**
		DIN: 00032083

Annexure – 3

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause 10(i) of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
PC Jeweller Limited
C - 54, Preet Vihar, Vikas Marg,
Delhi – 110092

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of PC Jeweller Limited (CIN: L36911DL2005PLC134929) having its registered office at C - 54, Preet Vihar, Vikas Marg, Delhi - 110092 (hereinafter referred to as 'the **Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as mentioned below as on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority:

S. No.	Name of Director	DIN	Initial date of appointment
1	Shri Balram Garg	00032083	13/04/2005
2	Shri Krishan Kumar Khurana	00253589	20/09/2011
3	Shri Ramesh Kumar Sharma	01980542	07/02/2014
4	Shri Miyar Ramanath Nayak	03352749	07/02/2014
5	Dr. Manohar Lal Singla	03625700	20/09/2011
6	Shri Suresh Kumar Jain	05103064	19/09/2015
7	Mrs. Sannovanda Swathi Machaiah	06952954	19/01/2018

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Kirti Dureja & Co.,**
Company Secretaries
(Peer Reviewed firm)

Date: 3rd August, 2023
Place: Gurugram

Sd/-
Kirti Dureja
Practicing Company Secretary
Membership No. A38334, C.P. No. 16865
UDIN: A038334E000733116

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY OVERVIEW

The Gems and Jewellery (**"G&J"**) industry is a broad spectrum industry consisting of varied activities, like processing of rough diamonds to create cut & polished diamonds, manufacture of jewellery consisting of gold jewellery (with varied purities of 22 kt, 18kt & 14 kt), diamond & gem stones studded jewellery. In India certain varieties of traditional jewellery like Polki, Kundan etc. continue to be worn at special occasions mainly weddings. In addition, silver jewellery, has gained much popularity in recent times due to its variety of designs as well as affordability.

The G&J industry continues to remain dependent upon the capabilities of artisans who continue to bring out the magic by their skills. The majority of jewellery in India continues to be handmade though the use of machines is now increasing in the cutting & polishing of diamonds. India is deemed to be the hub of the global jewellery market because of its low costs and availability of high-skilled labour. The skills of Indian karigars has ensured that it remains the top most country in the world in the field of handmade gold jewellery as well as cutting and polishing of diamonds.

The G&J industry plays a vital role in the Indian economy as it is one of the largest exporters of the country and also provides employment to a very large number of artisans.

As per rough estimates there are almost half a million jewellery retail outlets across the country. Retail jewellery shops are present in every nook and corner of the country. However, majority of these outlets are in the unorganized segment though the share of branded jewellers is increasing steadily. Many organized jewellers are now expanding their operations from a single store to become a multi store chain. As in many other sectors in jewellery also the concept of becoming a franchisee of an established brand is also catching up. This provides the brands an opportunity to expand in an asset light manner.

The strong domestic chains are also opening stores overseas, especially in the Middle East, which has a sizeable Indian diaspora as well as sizeable demand (especially of gold jewellery) from local population as well. In addition there is a demand for traditional jewellery from NRIs all across the world, which is met through exports.

INDUSTRY DATA

During April 2022 – March 2023, G&J exports decreased by 2.94% to US$ 38.08 billion as compared to exports of US$ 39.24 billion registered during April 2021 – March 2022.

During April 2022 – March 2023, Polished Lab Grown Diamonds (+27.85%), Coloured Gemstones (+34.83%), Plain Gold Jewellery (+8.74%), Silver Jewellery (+8.03%), Platinum Jewellery (+2.49%) witnessed a positive export growth rate as compared to April 2021 – March 2022 while export of Cut & Polished Diamonds (-9.78%) and Studded Gold Jewellery (-0.72%) have witnessed negative growth in the same period.

Amongst the top 10 export destinations for G&J products, USA, Hong Kong, Israel, Thailand & UK have recorded negative growths during April 2022 – March 2023 as compared to April 2021– March 2022. While, exports to other destinations such as U.A.E., Belgium, Singapore, Switzerland and Netherlands have shown a rise during the stated time period.

The G&J imports stood at US$ 25.90 billion in April 2022 – March 2023 as against US$ 26.87 billion recorded in April 2021 – March 2022, indicating recovery in supply of raw materials in G&J sector.

Imports of the silver bar have witnessed a negative import growth in April 2022 – March 2023 over April 2021 – March 2022. It indicates the diminished supply of raw materials for manufacturing finished gems and jewellery commodities. Imports of Polished Lab Grown Diamonds, Coloured Gemstones and Silver Jewellery have witnessed significant growth in April 2022 – March 2023 over April 2021 – March 2022.

SEGMENT WISE PERFORMANCE

The Company is one of the leading jewellery companies in the organised jewellery retail sector in India. It is engaged in the business of trade, manufacture and sale of gold, diamond, precious stone, gold and diamond studded jewellery as well as silver articles. It offers wide range and variety of gold, diamond and silver jewellery with a focus on certified diamond jewellery to cater not only to wedding jewellery but party and daily wear also.

Based on the geographical areas, the Company was having two operating segments i.e. domestic sales and export sales during part of the previous year. However, in the absence of any export revenue during the year under review, the export segment has ceased to qualify as operating segment for the reporting purpose. The entire revenue of ₹2,359.46 crore during the year was from the domestic market.

OPPORTUNITIES AND THREATS

The traditional demand for jewellery for special occasions like weddings and festivals continues to remain strong. India not only has a large population in absolute numbers but has a high percentage of population in the younger age group which ensures that a large number of marriages continue to happen every year. As per a rough estimate approximately 10 million marriages take place every year in India, which ensures a substantial expenditure on jewellery and related items.

In addition to the conventional purchases at the time of weddings and festivals, jewellery has also become a life style and fashion accessory, especially among the urban working class women. The demand for jewellery is seen to be increasing amongst the younger generations also. Now even the conventional men accessories like cuff links, tie pins etc. are also becoming bejewelled. Further, rising quality awareness of customers has also provided a fillip to the organized retail segment, which is banking on its 'reliability' and 'quality' to compete against the highly fragmented unorganized jewellers.

The jewellery sector of the country therefore continues to remain poised for growth on account of India's demographics and increasing urbanisation as well as income levels.

Our Company has its own designer team as well as manufacturing facilities and hence is able to create new designs and new varieties of jewellery items to cater to changing customer demands and preferences. In addition instead of only wedding jewellery which was the main stay till a few years ago, the Company has also increased the range and variety of jewellery so that it can cater to all age groups, all price points and all occasions.

The Company does not perceive any major or predictable threats except that the retail jewellery is already a working capital intensive business and the demand for jewellery is now increasing beyond the traditional gold jewellery. The working capital cycle of gold jewellery is much smaller vis-a-vis that of diamond jewellery which now constitutes an important part of any jeweller's inventory. Though the diamond jewellery has higher margins it also has a much longer cash conversion cycle vis-a-vis gold and all of these factors have only increased the working capital intensity of the jewellery business. In addition the gold prices have increased significantly in the past three years which has further increased the working capital intensity/requirement of this business.

OUTLOOK

The G&J market is anticipated to project robust growth in the period FY 2022-27, with a CAGR of 8.34% on account of changing lifestyle, rising disposable income, changing consumer preferences of branded jewellery products and growing urbanization.

India's jewellery industry growth is expected to be moderate to around 5% YOY in FY 2024, largely due to a high base of FY 2023 and FY 2022 along with expected volatility in gold prices. The G&J market is anticipated to grow in tandem with the increase in the country's GDP and rising disposable incomes. The market is anticipated to become more mature and sophisticated with product innovation like men's jewellery, light weight jewellery, silver jewellery etc. as well as compulsory hallmarking.

India continues to remain world's largest gold and silver consumer. India is also one of the world's major silver importers and the world's largest diamond cutting and polishing center.

Gold is a significant component of the country's culture, serving as a symbol of wealth and prestige, a store of value and an essential factor of numerous celebrations. Gemstones are also making a big contribution to the shifting fashion trends, particularly among the elite and upper-middle classes. Similarly, diamond jewellery is gaining popularity amongst all classes, especially the younger generation which finds it more suitable for daily wear, office wear as well as party wear. Silver jewellery is also looking at a resurgence amongst a certain class of consumers on account of its ethnic designs.

The G&J in the country are often associated with luxury gift items. Thus, increasing instances of festival gifts exchanges and changing consumer preferences toward celebration presents for their families and friends are also driving the growth of the Indian G&J market. Surging demand for branded jewellery products and assurance of the authentic and pure form of the luxury metal and gems in the jewellery is also supporting the growth of the Indian G&J market.

The Government of India in order to encourage the growth of G&J industry in India, has taken various measures. A few of them are as under:

- Permitted 100% FDI under the automatic route in this sector;
- Made sale of hallmarked jewellery compulsory;
- Reduced custom duty on cut and polished diamond and colored gemstones from 7.5% to 5% and NIL;
- India has 10 Special Economic Zones for gems & jewellery. These zones have more than 500 manufacturing units, which contribute 30% to the country's total exports. Revised SEZ Act is also expected to boost exports of gems and jewellery;
- India has signed Free Trade Agreement with U.A.E. which will further boost exports and is expected to reach the target of US$ 52 billion; and
- India has signed Economic Cooperation and Trade Agreement with Australia.

RISKS AND CONCERNS

Relatively long operating cycle and working capital intensive nature of the business is an inherent characteristic of the G&J industry. There have been a regular increase in the gold prices since September 2020, which is increasing the working capital requirements of the industry.

The sales of the Company had suffered in FY 2020-21 and FY 2021-22 on account of Covid-19 pandemic and lockdowns induced by it. Although the market has recovered thereafter but the Company's operations have suffered on account of liquidity constraints caused due to its accounts turned Non Performing Asset (**"NPA"**) with its bankers in June 2021. However, the classification of its accounts as NPA by the Lenders is being contested by the Company in various legal forums and the matter is currently sub judice. Subsequently, ten of the consortium bankers have moved Debt Recovery Tribunal (**"DRT"**), Delhi seeking recovery of their outstanding dues. The Company is responding to the same and the matter is currently sub-judice.

The Company in addition to replying suitably to the Banks, has also approached the High Court of Delhi against State Bank of India (**"SBI"**) stating that there is a non-compliance of the Principle of Natural Justice in as much as the Company was not given any opportunity to explain its case after January 2, 2023 and unilateral decision has been taken by SBI. The Hon'ble Court has accepted the Company's prayer and issued a notice to SBI, which has been accepted by their learned counsel. The Company has also filed counter claims for ₹ 10,034 crores, ₹ 16,759 crores and ₹ 2,956 crores against SBI, Union Bank (and seven other banks) and against Indian Bank respectively, before DRT.

Though there is no certainty either on the time frame or the end result of ongoing judicial process, the Company continues to remain confident about a positive outcome of the same and is taking appropriate steps to ensure that its status as a going concern remains intact in spite of the current adversities.

The Company is working on rationalizing its operations and taking various cost effective measures including closing less profitable showrooms, cutting down on redundant staff to meet its liquidity issues and working capital challenges. The Company's designing and manufacturing capabilities and its pool of trained & experienced staff continues to remain its strength.

Further, the reputation, trust as well as brand image created by the Company in the years since inception results in continued confidence of the various stakeholders even today.

The Company like other industry players is also exposed to price risk movements both in gold as well as its forex exposure. However, it has put systems and procedures in place to take care of these concerns.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has effective internal control systems in place, which are reviewed by internal auditor of the Company and their reports are periodically reviewed by Audit Committee. The Company also undergoes a rigorous audit process along with other items for stock, cash etc. at stipulated intervals.

The Company has also put in place adequate internal financial controls with reference to the financial statements commensurate with the size and nature of operations of the Company. Based on the assessment carried out by an independent agency and evaluation of the results of the assessment, the Board of Directors are of the opinion that the Company has adequate internal controls over financial reporting that are operating effectively as of March 31, 2023.

FINANCIAL PERFORMANCE

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('IND AS') specified under Section 133 of the Companies Act, 2013 and the applicable Rules, as amended from time to time and other applicable provisions.

As on March 31, 2023 the Company has total of 81 showrooms across India including 12 franchisee showrooms. During the year under review, the revenue from operations of the Company on standalone basis increased by 50% from ₹1,574.05 crore to ₹2,359.46 crore as compared to previous year, despite various adversities. The Company's net loss also declined slightly to ₹339.11 crore against net loss of ₹389.60 crore during previous year.

The summary of standalone financial performance of the Company as compared to previous year is as under:

(**₹in crore except earnings per share**)

Particulars	2022-23	2021-22
Revenue from operations	2,359.46	1,574.05
Other income	147.85	59.51
Total revenue	2,507.31	1,633.56
Total expenses	2,752.15	2,141.71
Profit/(loss) before tax	(244.84)	(508.15)
Tax expense	94.27	(118.55)
Net profit/(loss) after tax	(339.11)	(389.60)
Total comprehensive income	(338.65)	(389.23)
Earnings per equity share (₹)		
-Basic	(7.29)	(8.37)
-Diluted	(7.29)	(8.37)

KEY FINANCIAL RATIOS

Key financial ratios of the Company, changes therein as compared to previous financial year alongwith explanations for those ratios where change is 25% or more are as under:

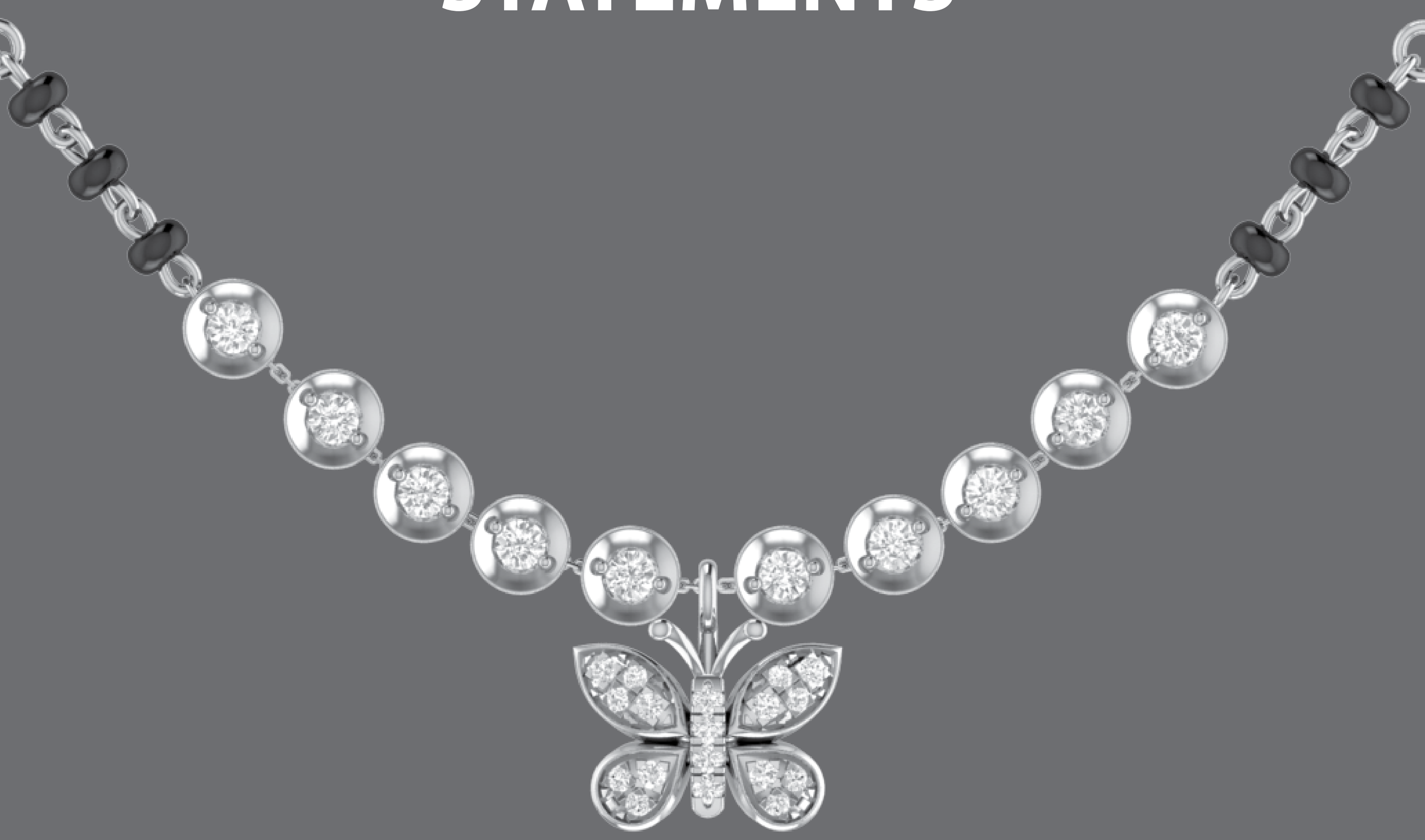
Key Ratios	Units	2022-23	2021-22	% Change	Explanations
Current Ratio	Times	1.56	1.67	(6.59)	Not Applicable
Debt Equity Ratio	Times	1.02	0.85	20.00	
Debtors Turnover	Times	1.67	1.19	40.34	The increase is due to increase in turnover as compared to previous year and the debtor as well as inventory levels remaining stable vis a vis the comparable figures of the previous year.
Inventory Turnover	Times	0.42	0.28	50.00	
Interest Coverage Ratio	Times	0.50	(0.16)	412.50	The increase is on account of increase in the EBID.
Operating Profit Margin	%	10.46	(4.50)	332.44	The increase in the margins is on account of the change in the product mix of the jewellery sold as well as increase in the turnover.
Net Profit Margin	%	(14.37)	(24.75)	41.94	
Return on Net Worth	%	(9.57)	(10.03)	4.59	Not Applicable

HUMAN RESOURCES & INDUSTRIAL RELATIONS

The Company always recognises its employees as its principal asset and believes in establishing and building a strong performance and competency driven culture amongst its employees with greater sense of accountability and responsibility. The Company ensures a safe, conducive and productive environment to enhance their productivity. As on March 31, 2023 the total employee strength of the Company was 1,443. The industrial relations within the Company have remained harmonious throughout the year.

References - Various industry reports and websites including GJEPC, IBEF etc.

STANDALONE FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PC JEWELLER LIMITED

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

1. We have audited the accompanying standalone financial statements of **PC Jeweller Limited** ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity for the year then ended and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

2. In our opinion and to the best of our information and accordingto the explanations given to us, except for the possible effectsof the matter described in the Basis for Qualified Opinionsection of our report, the aforesaid standalone financialstatements give the information required by the CompaniesAct, 2013 (' the Act') in the manner so required and give a trueand fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, ofthe state of affairs of the Company as at 31 March 2023 and itsloss (including other comprehensive income), its cash flowsand the changes in equity for the year ended on that date.

3. **Basis for Qualified Opinion**

   (i) As explained in Note 51 to the accompanying standalone financial statements, the Company during the financial 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 prerequisite, 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. For the remaining discounts of ₹183.16 crore, in the absence of requisite approvals and material evidence related to such transactions, we are unable to comment on the impact, if any, of the same on the accompanying standalone financial statements. Auditor's Opinion for the year ended 31 March 2019, 31 March 2020, 31 March 2021 and 31 March 2022 were also modified in respect of this matter.

   (ii) With respect to provision for the expected credit loss/impairment relating to overdue overseas Trade Receivables as required under Ind-AS 109, the management has calculated an additional provision of ₹ 11.96 crores during the year in respect of these overdue receivables. However, no realization has been made during the year against overdue trade receivables towards export of goods aggregating to ₹ 1707.27 crores (including unrealized foreign currency exchange gain of ₹ 239.74 crores) as on 31 March 2023 out of which ₹ 1355.56 crores (including unrealized foreign currency exchange gain of ₹ 197.04 crores) is outstanding from more than 3 years. Also no export transactions have been done with these overseas debtors during the year. Further, as informed to us, legal notices have been served to the overseas debtors and the company is in process of finalizing legal counsel for initiating legal proceedings. Upto 31 March 2023, the company has made an ECL provision of only ₹ 262.59 crore based on revised payment schedule as provided by the overseas debtors.

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

   (iii) As explained in Note 50 to the accompanying standalone financial statements, due to rejection of the resolution plan by the Lenders, the Lead Bank has initiated the recovery proceedings through Debt Recovery Tribunal (DRT) and obtained an order to seize, take control and prepare an inventory of entire stocks of hypothecated assets to the lenders. In response, the company has moved to the Debts Recovery Appellate Tribunal (DRAT) against the order of the DRT, and the matter is sub-judice. Meanwhile some of the other consortium members have also filed their recovery suit in DRT against the company.

According to the Order of DRT and DRAT, the appointed agencies along with valuers have started necessary implementation of the Order including inventorization and valuation of inventory at some locations of the company. Since, those locations were carrying major inventory and were under process of inventorization and valuation as per the order of DRT/DRAT as on 31 March 2023, the physical verification/inspection/valuation of the inventory could not be conducted by the management at these locations. This, being a significant event, may have an adverse impact on the Goodwill and the Brand image of the company which may affect the Net Realisable Value of the Inventory. Further, significant quantum of inventory was lying with Third Parties (Karigars/Job-Workers) which could not be physically verified/inspected by independent agency/lenders. Such inventory lying with third parties is not adequately insured.

Further, no valuation reports by the independent Gemologist/valuer were made available to us for the inventory as shown in accompanying standalone financial statements.

In view of the above, we are unable to examine and express an opinion on inventory value and its consequential impact and adjustments on the accompanying standalone financial statements.

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

Material Uncertainty related to Going Concern

5. Rejection of proposed resolution plan in relation to company's borrowing exposure, Order of DRT for initiation of full recovery proceedings on application of lead bank (SBI) and issuance of recall notices by the lenders, as explained in Note 50 to the accompanying standalone financial statements, indicates that a material uncertainty exists that may cast significant doubt on the ability of the company to continue as a going concern.

   Our opinion is not modified in respect of this matter.

Emphasis of Matters

6. We draw attention to:

   (i) Note 52 to the accompanying standalone financial statements 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 ₹ 1707.27 crores as on 31 March 2023, beyond the timelines stipulated under the Foreign Exchange Management Act, 1999. The management of the company has filed the necessary applications with the appropriate authority for condonation of such delays to regularize the default. Pending condonation of such delay by the appropriate authority, management is of the view that the possible penalties that may be levied, are currently unascertainable but would not be material and accordingly, no consequential adjustments have been made to the accompanying standalone financial statements with respect to such delay/default.

   (ii) Note 53 to the accompanying standalone financial statements regarding impairment assessment of company's total exposure in its subsidiaries. The management of the company has carried out the impairment assessment using the 'Discounted Cash Flow Valuation Model', which is complex and involves the use of significant management estimates and assumptions that are dependent on expected future market and economic conditions and accordingly recognized additional provision for impairment amounting to ₹ 104.15 crores in respect of exposure in PC Universal Private Limited in the standalone financial statements of the company.

   Our opinion is not modified in respect of the above matters.

Key Audit Matters

7. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matters described in the Basis for Qualified Opinion section and material uncertainty related to the going concern section, we have determined that there are no other key audit matters to be communicated in our report.

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

8. The Company's Management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon. The annual report is to be made available to us after the date of the auditor's report.

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

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

   When we read the other information identified above, if we conclude thatthere is a material misstatement therein, weare required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

9. The accompanying standalone financial statements havebeen approved by the Company's Board of Directors.The Company's Board of Directors is responsible for thematters stated in section 134(5) of the Act with respect tothe preparation of these standalone financial statementsthat give a true and fair view of the financial position,financial performance including other comprehensiveincome, changes in equity and cash flows of the Companyin accordance with the accounting principles generallyaccepted in India, including the Ind AS specified undersection 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordancewith the provisions of the Act for safeguarding of the assetsof the Company and for preventing and detecting frauds andother irregularities; selection and application of appropriateaccounting policies; making judgments and estimates thatare reasonable and prudent; and design, implementationand maintenance of adequate internal financial controls,that were operating effectively for ensuring the accuracyand completeness of the accounting records, relevant to thepreparation and presentation of the financial statementsthat give a true and fair view and are free from materialmisstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

14. 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.

15. 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.

16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

17. Advance recoverable from Staff amounting to ₹ 2.12 crore (including ₹ 1.13 crore pertaining to Key Managerial Personnel) has been written off during the year after taking approvals from the board of directors as well as Audit Committee.

18. As mentioned in the order of the DRAT, a special audit has been ordered by bankers to audit the exchange sales transactions without payment of cash/ transfer of money, and to submit weekly details of Exchange Sales to Agency for Specialized Monitoring (ASM) appointed by lenders for his verification. As per the information furnished to us, including the reports of ASM, the company has recorded exchange sales of ₹ 1795.70 crore approx. (including GST) out of total sales of ₹ 2424.32 crore (including GST) for the year ended 31 March 2023.

    Our opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

19. As required by section 197(16) of the Act, based on our audit and to the best of our information and according to the explanations given to us, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limit prescribed under Schedule V of the Act.

20. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A",** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

21. As required by Section 143(3) of the Act, we report that:

    (a) we have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    (b) except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) the standalone financial statements dealt with by this report are in agreement with the books of accounts;

(d) except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

(e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;

(f) the qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section;

(g) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per **"Annexure B"** expressed unmodified opinion; and

(h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The company, as detailed in Note 44 to the standalone financials statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company during the year ended 31 March 2023.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries")
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries")
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. No dividend has been declared or paid during the year by the company.

vi. Since applicability of maintenance of audit trail in accounting software has been deferred to 1 April 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

For Arun K Agarwal & Associates
Chartered Accountants
(Firm's Registration No. 003917N)

Sd/-
Arun Kumar Agarwal
(Partner)
M. No. 082899
UDIN: 23082899BGXXGO6293

Place: New Delhi
Date: 30.05.2023

Annexure A to the Independent Auditor's Report of even date to the members of PC Jeweller Limited, on the standalone financial statements for the year ended 31 March 2023

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

i. (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment ("PPE") and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) ThePPE and right-to-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the PPE and right-to-use assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties(other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for stocks lying with third parties. For stocks lying with the third parties, at the year-end, written confirmations have been obtained by the management. However, as mentioned in para 3(iii) of Basis of Qualified Opinion section of our report, physical verification of inventory lying at some locations containing major portion of inventory could not be done at the year-end on account ofongoinginventorization and valuation by appointed agencies as per order of DRT and DRAT. In absences of such physical verification, we are unable to comment on discrepancies or quantum of discrepancies.

(b) Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions which are secured on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company except the variances listed below. Statements for the quarter ended Dec. 2022 and March 2023 were not submitted by the company. (Refer Note 54(d) to the standalone financials statements)

(Amount in ₹ crores)

Particulars	Amount as per statements submitted to bankers	Amount as per books of accounts	Differences in Amount	Differences in %
Inventory				
Qtr. ended June 2022	5,584.71	5,583.76	0.95	0.02%
Qtr. ended Sep. 2022	5,717.71	5,715.71	2.00	0.03%
Sundry Receivables				
Qtr. ended June 2022	1,495.29	1,417.10	78.19	5.23%
Qtr. ended Sep. 2022	1,501.72	1,477.72	24.00	1.60%

iii. During the year, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and hence reporting under clause 3(iii)(a), (b) & (f) of the Order is not applicable.

(c) In respect of loans granted by the companyin earlier years to its 2 subsidiaries having outstanding balance of ₹158.77 croresand other staff advances having outstanding balance of₹1.21 crores as at the balance sheet date, schedule of repayment of principal and payment of interest has not been stipulated.Further, in case of loan granted in earlier years to a company having outstanding balance of₹8.58 crores as at the balance sheet date, schedule of repayment is stipulated, however repayment of principal is not due as at the balance sheet date.

(d) In absence of specific schedule of repayment of principal and payment of interest, we are unable to comment on the amount overdue for more than 90 days as at the balance sheet date as per clause 3(iii)(d) of the Order.

(e) In absence of specific schedule of repayment of principal and payment of interest, we are unable to comment on the amount fallen due during the year as per clause 3(iii)(e) of the Order. However, considering the doubtful recoverability, a provision for impairment of ₹ 135.27 crores is accounted upto 31 March 2023 against loans granted to subsidiaries. Also staff advances amounting to ₹ 2.12 crore have been written off during the year after taking approvals from the board of directors as well as Audit Committee.

iv. The company has complied with the provisions of section 185 and 186 of the Act, with respect to the grant of loan and making investment. Further, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of guarantees and security.

v. The Company has complied with the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 and other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, in this regard.

vi. The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii. (a) Undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Name of the Statute	Nature of the dues	Amount (₹ in crore)	Period to which amount relates	Due Date	Date of Payment
Income-tax Act, 1961	Income-tax (including interest)	106.43	AY 2018-19	15.03.2018	Not yet paid

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2023 on account of disputes are given below:

Name of the Statute	Nature of the dues	Amount (₹ in crore)	Paid under Protest (₹ in crores)	Period to which it pertains	Forum at which case is pending
Income-tax Act, 1961	Income-tax	0.19	-	AY 2009-10	Income-tax Appellate Tribunal
		0.23	-	AY 2017-18	CIT (Appeals)
Customs Act, 1962	Custom duty	5.12	2.43	FY 2010-11	Custom, Excise and Service Tax Appellate Tribunal, New Delhi
Rajasthan Value Added Tax Act, 2003	Value added tax	0.05	-	FY 2010-11	The Rajasthan High Court
		0.44	-	FY 2011-12	
		0.50	-	FY 2012-13	
		2.73	-	FY 2013-14	
		2.31	-	FY 2014-15	
		2.21	-	FY 2015-16	

viii. As informed to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has defaulted in repayment of loans (including interest) to its Bankers in respect of ₹3626.09 Crores as on 31 March 2023. Refer Note 19to the standalone financial statements. The lender wise details are tabulated as under:

Nature of borrowing, including debt securities	Name of lender	Amount of Default ₹ in crores	Whether principal or interest	Period of Default	Remarks, if any
Working Capital Loans, Cash Credit Facilities and SBLC Devolvement Funded Interest Term Loan	Punjab National Bank	538.43	Principal and Interest	Ranging between 1 to 1095 days as on 31.03.2023	Classified as Non- Performing Assets with all the banks
	State Bank of India	1150.75			
	Union Bank of India	588.50			
	Indian Bank	255.63			
	Bank of India	219.65			
	Indian Overseas Bank	220.52			
	IDBI BANK	106.36			
	Bank of Baroda	51.07			
	Axis Bank	56.14			
	IDFC	65.17			
	Canara Bank	186.63			
	KVB Bank	31.41			
	IndusInd Bank	25.68			
	Kotak Bank	130.15			

(b) As informed to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) Term loans were applied for the purpose for which the loans were obtained;

(d) Based on an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) Based on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) As informed to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) and hence reporting under clause 3(x)(b) of the Order is not applicable

xi. (a) No material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As informed, no whistle blower complaints have been received by the Company during the year.

xii. In our opinion, the company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. In our opinion, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and requisite details of such transactions have been disclosed in the standalone financial statements as required by the applicable Ind AS.

xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. As informed to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, paragraph 3(xvi) (d) of the Order is not applicable to the Company.

xvii. The Company has incurred cash losses of ₹216.52 croresduring the financial year covered by our auditand ₹ 407.21 crores during the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. Refer to Basis of Qualified Opinion section of our report (Para 3 above) with respect to overdue overseas receivables and inventory valuation and considering the material uncertainty related to going concern(as mentioned in para 5 of our report), we are unable to comment on company's capacity of meeting its liabilities existing as on balance sheet date as per clause 3(xix) of the Order.

xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) Details of unspent amount towards CSR under sub-section (5) of section 135 of the Act, pursuant to ongoing project is given below. Refer Note 46 to the standalone financial statements.

(Amount in ₹ crores)

Relevant Financial Year	Amount identified for spending on CSR activities for ongoing project	Unspent Amount	Amount Transferred to Special Account till the date of our report	Due date of transfer to the account	Actual date of transfer to the account	No. of days of delay
2020-21	6.50	6.50	Nil	30.04.2021	Not yet paid	Not yet paid
2021-22	0.94	0.94	Nil	30.04.2022		

For Arun K Agarwal & Associates
Chartered Accountants
(Firm's Registration No. 003917N)

Sd/-
Arun Kumar Agarwal
(Partner)
M. No. 082899
UDIN: 23082899BGXXGO6293

Place: New Delhi
Date: 30.05.2023

STANDALONE BALANCE SHEET
AS AT 31 MARCH 2023

(₹ in crore)

		Notes	As at 31 March 2023	As at 31 March 2022
A	**Assets**			
1	**Non-current assests**			
	a) Property, plant and equipment	4	20.89	25.98
	b) Capital work-in-progress	4	0.70	-
	c) Right-of-use assets	45	81.99	80.59
	d) Other intangible assets	4	0.78	0.89
	e) Financial assets			
	i) Investments	5	133.93	133.93
	ii) Trade receivables	12	1,155.28	1,038.35
	iii) Loans	6	17.85	104.23
	iv) Other financial assets	7	26.44	25.76
	f Deferred tax assets (net)	8	-	150.71
	g) Other non-current assets	9	5.82	7.76
	Total non-current assets		**1,443.68**	**1,568.20**
2	**Current assets**			
	a) Inventories	10	5,621.81	5,516.22
	b) Financial assets			
	i) Investments	11	2.22	2.48
	ii) Trade receivables	12	323.95	308.23
	iii) Cash and cash equivalents	13	40.24	20.80
	iv) Bank balance other than (iii) above	14	0.17	36.82
	v) Loans	6	14.23	33.71
	vi) Other financial assets	7	5.49	2.67
	c) Other current assets	9	38.30	48.68
	Total current assets		**6,046.41**	**5,969.61**
	Total assets		**7,490.09**	**7,537.81**
B	**Equity and Liabilities**			
1	**Equity**			
	a) Equity share capital	15	465.40	465.40
	b) Other equity	16	3,079.65	3,418.39
	Total equity		**3,545.05**	**3,883.79**
	Liabilities			
2	**Non-current liabilities**			
	a) Financial liabilities			
	i) Borrowings	17	-	-
	ii) Lease liabilities: Non current	45	76.31	77.75
	b) Provisions	18	4.07	4.42
	Total non-current liabilities		**80.38**	**82.17**
3	**Current liabilities**			
	a) Financial liabilities			
	i) Borrowings	19	3,630.38	3,282.69
	ii) Lease liabilities	45	29.70	30.09
	iii) Trade payables	20		
	- Total outstanding dues of micro enterprises and small enterprises; and		1.98	0.45
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		16.24	14.95
	iv) Other financial liabilities [other than those specified in item (c)]	21	51.90	38.29
	b) Other current liabilities	22	50.41	76.17
	c) Provisions	18	2.65	2.40
	d) Current tax liabilities (net)	23	81.40	126.81
	Total current liabilities		**3,864.66**	**3,571.85**
	Total liabilities		**3,945.04**	**3,654.02**
	Total equity and liabilities		**7,490.09**	**7,537.81**

Notes 1 to 54 form an integral part of these standalone financial statements.

This is the standalone balance sheet referred to in our report of even date

For Arun K Agarwal & Associates

Chartered Accountants

Firm's Registration No.: 003917N

Sd/-

Arun Kumar Agarwal
Partner
Membership No. 082899

Place: New Delhi
Date: 30 May 2023

For and on behalf of the Board of Directors

Sd/-
Ramesh Kumar Sharma
Executive Director
DIN-01980542

Sd/-
Balram Garg
Managing Director
DIN-00032083

Sd/-
Vijay Panwar
Company Secretary
Membership No. A19063

Sd/-
Sanjeev Bhatia
Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

		Notes	Year ended 31 March 2023	Year ended 31 March 2022
1	Revenue from operations	24	2,359.46	1,574.05
2	Other income	25	147.85	59.51
3	**Total income (1+2)**		**2,507.31**	**1,633.56**
4	**Expenses**			
	a) Cost of materials consumed	26	2,013.01	1,046.38
	b) Purchases of stock-in-trade	27	95.00	41.12
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(117.15)	290.65
	d) Employee benefits expense	29	53.44	45.47
	e) Finance costs	30	491.69	437.37
	f) Depreciation and amortisation expenses	31	25.85	26.24
	g) Other expenses	32	190.31	254.48
	Total expenses		**2,752.15**	**2,141.71**
5	**Profit before tax (3-4)**		**(244.84)**	**(508.15)**
6	Tax expense:			
	a) Current tax	33	(56.28)	(18.93)
	b) Deferred tax	8	150.55	(99.62)
	Total tax expense		**94.27**	**(118.55)**
7	**Profit/(loss) for the year (5-6)**		**(339.11)**	**(389.60)**
8	Other comprehensive income:			
	(i) Items that will not be reclassified to profit or loss: - Remeasurement of post employment benefit obligations		0.61	0.49
	(ii) Income-tax relating to items that will not be reclassified to profit or loss		(0.15)	(0.12)
	Other comprehensive income for the year, net of tax		**0.46**	**0.37**
9	**Total comprehensive income/(loss) for the year (7+8)**		**(338.65)**	**(389.23)**
10	Earnings per equity share: (face value of ₹ 10 per share)	34		
	Basic earnings per share (in ₹)		(7.29)	(8.37)
	Diluted earnings per share (in ₹)		(7.29)	(8.37)

Notes 1 to 54 form an integral part of these standalone financial statements.

This is the standalone statement of profit and loss referred to in our report of even date

For and on behalf of the Board of Directors

For Arun K Agarwal & Associates
Chartered Accountants
Firm's Registration No.: 003917N

Sd/-
Ramesh Kumar Sharma
Executive Director
DIN-01980542

Sd/-
Balram Garg
Managing Director
DIN-00032083

Sd/-
Arun Kumar Agarwal
Partner
Membership No. 082899

Sd/-
Vijay Panwar
Company Secretary
Membership No. A19063

Sd/-
Sanjeev Bhatia
Chief Financial Officer

Place: New Delhi
Date: 30 May 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

A Equity share capital:

(₹ in crore)

Particulars	Note	No. of shares	Amount
Issued, subscribed and fully paid up			
Equity shares of ₹ 10 each			
Balance as at 1 April 2021	**15**	**465,403,896**	**465.40**
Changes in equity share capital due to prior period errors		-	-
Changes in equity share capital during the year		-	-
Balance as at 31 March 2022	**15**	**465,403,896**	**465.40**
Changes in equity share capital due to prior period errors		-	-
Changes in equity share capital during the year		-	-
Balance as at 31 March 2023	**15**	**465,403,896**	**465.40**

B Other equity:

(₹ in crore)

Particulars	Reserves and surplus					Total
	Securities premium	General reserve	Share options outstanding account	Retained earnings	Items of other comprehensive income	
					Remeasurement of employee defined benefit plans	
Balance as at 1 April 2021	**1,068.98**	**68.33**	**21.26**	**2,648.84**	**2.53**	**3,809.94**
Profit for the year	-	-	-	(389.60)	-	**(389.60)**
Other comprehensive income for the year (net of income tax)	-	-	-	-	0.37	**0.37**
Total comprehensive income for the year	**-**	**-**	**-**	**(389.60)**	**0.37**	**(389.23)**
Share option expense reversal*	-	1.64	(1.64)	-	-	**-**
Share option investment reversal**	-	-	(2.32)	-	-	**(2.32)**
Balance as at 31 March 2022	**1,068.98**	**69.97**	**17.30**	**2,259.24**	**2.90**	**3,418.39**
Profit for the year	-	-	-	(339.11)	-	**(339.11)**
Other comprehensive income for the year (net of income tax)	-	-	-	-	0.46	**0.46**
Total comprehensive income for the year	**-**	**-**	**-**	**(339.11)**	**0.46**	**(338.65)**
Others	-	-	-	(0.09)	-	**(0.09)**
Balance as at 31 March 2023	**1,068.98**	**69.97**	**17.30**	**1,920.04**	**3.36**	**3,079.65**

* During the previous year ended 31 March 2022, the Company has transferred an amount of ₹ 1.64 crores from Share Option Outstanding Account to General Reserve on account of 37,408 share options lapsed/forfeited in accordance with the ESOP plan 2011.

** During the previous year ended 31 March 2022, the amount of ₹ 2.32 crores has been reduced from share option outstanding account on account of share option lapsed/forfeited in accordance with ESOP Plan 2011, which were granted to an employee of a subsidiary company (Luxury Products Trendsetter Private Limited).

Notes 1 to 54 form an integral part of these standalone financial statements.

This is the standalone statement of changes in equity referred to in our report of even date

For and on behalf of the Board of Directors

For Arun K Agarwal & Associates
Chartered Accountants
Firm's Registration No.: 003917N

Sd/-
Ramesh Kumar Sharma
Executive Director
DIN-01980542

Sd/-
Balram Garg
Managing Director
DIN-00032083

Sd/-
Arun Kumar Agarwal
Partner
Membership No. 082899

Sd/-
Vijay Panwar
Company Secretary
Membership No. A19063

Sd/-
Sanjeev Bhatia
Chief Financial Officer

Place: New Delhi
Date: 30 May 2023

STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

	Particulars	As at 31 March 2023	As at 31 March 2022
A	**Cash flow from operating activities:**		
	(Loss)/profit before tax	(244.84)	(508.15)
	Adjustments for:		
	Depreciation and amortisation expenses	25.85	26.24
	Interest income on fixed deposit	(1.21)	(1.70)
	Interest income on loans given to subsidiaries and body corporate	(7.21)	(7.51)
	Net loss/(profit) on disposal of property, plant and equipment	0.02	(0.01)
	Net Loss/(profit) on FVTPL from investments	0.01	(0.01)
	Finance costs	491.69	427.45
	Unwinding of discount on security deposits	(0.16)	(0.08)
	Discounting of rental expenses as per Ind-As 116	(37.49)	(28.53)
	Unrealised gain on foreign exchange	(132.21)	(103.31)
	Actuarial loss forming part of other comprehensive income	0.61	0.49
	Adjustment due to fair valuation of gold loan at unfixed prices	(1.61)	(4.65)
	Fair valuation adjustment of forwards contracts	-	(1.07)
	Gain on rent reduction/waiver due to Covid-19	(2.53)	(3.25)
	Provision for impairment of loans to subsidiaries	105.08	4.86
	Provision for expected credit loss on trade receivables	11.96	188.07
	Operating profit/(loss) before working capital changes	**207.96**	**(11.16)**
	Adjustments for:		
	(Increase)/decrease in inventories	(105.59)	277.50
	(Increase)/decrease in financial assets	(2.54)	9.21
	(Increase)/decrease in non-financial assets	12.31	19.34
	(Increase)/decrease in trade receivables	(12.41)	(122.69)
	Increase/(decrease) in trade payables	2.82	(902.16)
	Increase/(decrease) in financial liabilities	11.78	(28.49)
	Increase/(decrease) in non-financial liabilities	(25.76)	12.48
	Increase/(decrease) in provisions	(0.10)	(0.05)
	Cash generated from/(used in) operating activities	**88.48**	**(746.02)**
	Direct taxes refunded/(paid)	7.87	18.93
	Net cash generated from/(used in) operating activities	**96.35**	**(727.09)**
B	**Cash flow from investing activities:**		
	Purchase of property, plant and equipment including capital advances	(1.84)	(1.56)
	Proceeds from disposal of property, plant and equipment	0.05	0.03
	Redemption/(purchase) of current investments, net	0.26	5.60
	Loans repaid by body corporate including subsidiary companies	0.77	27.05
	Interest received	2.22	2.84
	Redemption of fixed deposits, net	36.31	84.06
	Net cash generated from investing activities	**37.77**	**118.02**

(₹ in crore)

	Particulars	As at 31 March 2023	As at 31 March 2022
C	**Cash flow from financing activities:**		
	(Repayment of)/ proceeds from long term loans	-	(0.42)
	Increase in short term borrowings, net of Interest payable	-	727.00
	Interest paid	(114.68)	(151.22)
	Net cash (used in) /generated from financing activities	**(114.68)**	**575.36**
D	Net increase/(decrease) in cash and cash equivalents (A+B+C)	19.44	(33.71)
E	Cash and cash equivalents as at the beginning of the year	20.80	54.51
F	**Cash and cash equivalents as at the end of the year (refer note 13)**	**40.24**	**20.80**
			-
	Components of cash and cash equivalents:		
	Balances with banks - in current accounts	36.35	18.24
	Cheques on hand	-	0.10
	Cash on hand	3.89	2.46
	Deposits with original maturity of less than 3 months	-	-
		40.24	**20.80**

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

Notes 1 to 54 form an integral part of these standalone financial statements.

This is the standalone cash flow statement referred to in our report of even date

For Arun K Agarwal & Associates
Chartered Accountants
Firm's Registration No.: 003917N

Sd/-
Arun Kumar Agarwal
Partner
Membership No. 082899

Place: New Delhi
Date: 30 May 2023

For and on behalf of the Board of Directors

Sd/-
Ramesh Kumar Sharma
Executive Director
DIN-01980542

Sd/-
Balram Garg
Managing Director
DIN-00032083

Sd/-
Vijay Panwar
Company Secretary
Membership No. A19063

Sd/-
Sanjeev Bhatia
Chief Financial Officer

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Corporate information

Nature of operations

PC Jeweller Limited (the 'Company') was incorporated on 13 April 2005. 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 shares are listed on the National Stock Exchange of India Limited and BSE Limited.

General information and statement of compliance with Ind AS

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ('the Act'), Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other pronouncements/ provisions of applicable laws.

The standalone financial statements for the year ended 31 March 2023 were authorised and approved for issue by the Board of Directors on 30 May 2023. Revisions to standalone financial statements, if required, is permitted by the Board of Directors subject to obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

2. Application of new and revised Indian Accounting Standard (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs (**'MCA'**) under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the standalone financial statements are authorised have been considered in preparing these standalone financial statements.

Recent Pronouncements

MCA notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April 2023, as below:

a) Ind AS 1–Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

b) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company is evaluating the impact, if any, in its financial statements.

c) Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

3. Summary of significant accounting policies

a) Overall consideration

The standalone financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements.

Basis of preparation

The standalone financial statements have been prepared on a going concern basis under the historical cost basis except for the following –

- Certain financial assets and liabilities which have been measured at fair value (refer note 40 for further details); and

- Share based payments which are measured at fair value of the options at the grant date.

The financial statements of the Company are presented in Indian Rupees (₹), which is also its financial currency and all amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirements of schedule III to the Act, unless otherwise stated.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c) Foreign currency translation

Initial recognition

Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

d) Revenue recognition

Sale of goods

Revenue from the contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Sales, as disclosed, are net of trade allowances, rebates, goods and service tax, and amounts collected on behalf of third parties.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). In respect of contracts with customers that contain a financing component i.e. when payment by a customer occurs significantly before performance and the fair value of goods provided to the customer at the end of the contract term exceeds the advance payments received, interest expense is recognized on recognition of a contract liability over the contract period and is presented under the head finance costs in statement of profit and loss and total transaction price including

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

financing component is recognized when control of the goods is transferred to the customer.

Satisfaction of performance obligations

The Company's revenue is derived from the single performance obligation to transfer primarily gold and diamond products under arrangements in which the transfer of control of the products and the fulfilment of the Company's performance obligation occur at the same time. Revenue from the sale of goods is recognised when the Company has transferred control of the goods to the buyer and the buyer obtains the benefits from the goods, the potential cash flows and the amount of revenue (the transaction price) can be measured reliably, and it is probable that the Company will collect the consideration to which it is entitled to in exchange for the goods.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment. In respect of sale of goods at prices that are yet to be fixed at the year end, adjustments to the provisional amount billed to the customers are recognised based on the year end closing gold rate.

Interest and dividend income

Interest income is recognised on an accrual basis using the effective interest method. Dividends are recognised at the time the right to receive the payment is established. Other income is recognised when no significant uncertainty as to its determination or realisation exists.

e) (i) Property, plant and equipment

Recognition and initial measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at their cost of acquisition less accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Capital expenditure incurred on rented properties is classified as 'Leasehold improvements' under property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on written-down value, computed on the basis of useful lives (as set out below) prescribed in Schedule II of the Act:

Asset category	Estimated useful life (in years)
Buildings	30
Plant and equipments	15
Office equipments	5
Computers	3 for data processing units and 6 for servers
Furniture and fixtures	10
Vehicles	8 for motor cars and 10 for scooters

Leasehold improvements have been amortised over the estimated useful life of the assets or the period of lease, whichever is lower. The residual values, useful lives and method of depreciation and amortisation are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

(ii) Intangible assets

An intangible asset is a non-monetary, identifiable item without any physical substance that is within the control of an entity and is capable of generating future economic benefits for the entity.

Recognition and initial measurement

Intangible assets are recognised as per the cost model. As per the cost model an intangible asset is carried at its own cost less accumulated amortisation and any accumulated impairment losses after initial recognition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent measurement (amortisation and useful lives)

Amortisation of intangible assets is provided on straight-line basis, computed on the basis of useful lives estimated by the management. The useful life of an intangible asset would include the renewal period(s) only if there is enough evidence to support the renewal by the entity without a significant cost.

Asset category	Estimated useful life (in years)
Software	10

De-recognition

An item of intangible asset and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

f) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of property leases. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment whether it will exercise an extension or a termination option.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

g) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

h) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Subsequent measurement

i. Financial instruments at amortised cost – the financial instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All the debt instruments of the Company are measured at amortised cost.

ii. Mutual funds – All mutual funds in scope of IndAS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the right to receive cash flows from the asset have expired or the Company has transferred its right to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Compound financial instruments

Compound financial instruments are separated into liability and equity components based on the terms of the contract. On issuance of the said instrument, the liability component is arrived by discounting the gross sum at a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on conversion or redemption. The remainder of the proceeds is recognised as equity component of compound financial instrument. This is recognised and included in shareholders' equity, net of income-tax effects, and not subsequently re-measured.

Derivative contracts and hedge accounting

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified variable. The Company enters into purchase gold contract, in which the amount payable is not fixed based on gold price on the date of purchase, but instead is affected by changes in gold prices in future. Such transactions are entered into to protect against the risk of gold price movement in the purchased gold. Accordingly, such unfixed payables are considered to have an embedded derivative. The Company designates the gold price risk in such instruments as hedging instruments, with gold inventory considered to be the hedged item. The hedged risk is gold prices in USD.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Changes in fair value of the hedging instrument attributable to the risk hedged is recorded as part of the carrying value of the hedged item.

Other derivatives

The Company also uses foreign exchange forward contracts to hedge its exposure towards foreign currency. These foreign exchange forward contracts are not used for trading or speculation purposes. A derivative contract is recognised as an asset or a liability on the commitment date. Outstanding derivative contracts as at reporting date are fair valued and recognised as financial asset/financial liability, with the resultant gain/(loss) being recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

i) Impairment of financial assets

In accordance with IndAS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Company applies approach permitted by Ind AS 109, financial instruments, which requires expected

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

j) Inventories

Raw Material: Lower of cost or net realisable value. Cost is determined on first in first out ('FIFO') basis.

Work in progress: At cost determined on FIFO basis upto estimated stage of completion.

Finished goods: Lower of cost or net realisable value. Cost is determined on FIFO basis, includes direct material and labour expenses and appropriate proportion of manufacturing overheads based on the normal capacity for manufactured goods.

Stock in trade: Lower of cost or net realisable value. Cost is determined on first in first out ('FIFO') basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

k) Taxes on income

Tax expense recognised in the statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ('OCI') or directly in equity.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act 1961. Current income-tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity).

Deferred income-tax is calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity).

l) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than three months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

m) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

n) Post-employment, long term and short term employee benefits

Defined contribution plans

Provident fund benefit is a defined contribution plan under which the Company pays fixed contributions into funds established under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

Defined benefit plans

Gratuity is a post-employment benefit defined under The Payment of Gratuity Act, 1972 and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at the end of each reporting period by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the OCI in the year in which such gains or losses are determined.

Other long-term employee benefits

Liability in respect of compensated absences is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to the statement of profit and loss in the year in which such gains or losses are determined.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

o) Sharebased payments

Employee stock option plan

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit and loss, with a corresponding adjustment to equity.

p) Operating expenses

Operating expenses are recognised in the statement of profit and loss upon utilisation of the service or as incurred.

q) Borrowing costs

Borrowing costs directly attributable to the acquisitions, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

r) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

s) Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefit is probable, related asset is disclosed.

t) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

u) Equity, reserves and dividend payment

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Retained earnings include current and prior period retained profits. All transactions with owners of the Company are recorded separately within equity. The Board of Directors of the Company have not recommended any dividend for the year.

v) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements and estimates

The following are significant management judgements and estimates in applying the accounting policies of the Company that have the most significant effect on the financial statements:

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2023

NOTE 4: NON-CURRENT ASSETS

a) Property, plant and equipment

(₹ in crore)

Particulars	Free hold land	Build-ings	Leasehold improve-ments	Plant and equip-ments	Office equip-ments	Comput-ers	Furniture and fixtures	Vehicles	Total
Gross block									
As at 1 April 2021	**7.58**	**3.11**	**66.72**	**6.36**	**22.83**	**5.80**	**6.05**	**5.66**	**124.11**
Additions	-	-	-	0.02	0.00*	-	0.00*	0.01	**0.03**
Disposals	-	-	-	(0.08)	0.00*	-	(0.01)	0.00*	**(0.09)**
As at 31 March 2022	**7.58**	**3.11**	**66.72**	**6.30**	**22.83**	**5.80**	**6.04**	**5.67**	**124.05**
Additions	-	-	0.00*	0.17	0.12	0.09	0.03	0.01	**0.42**
Disposals	-	-	(0.07)	(0.49)	(0.46)	(0.08)	(0.06)	(0.30)	**(1.46)**
As at 31 March 2023	**7.58**	**3.11**	**66.65**	**5.98**	**22.49**	**5.81**	**6.01**	**5.38**	**123.01**
Accumulated depreciation									
As at 1 April 2021	**-**	**1.40**	**50.21**	**3.77**	**22.30**	**5.09**	**4.77**	**4.07**	**91.61**
Charge for the year	-	0.16	4.62	0.40	0.50	0.19	0.42	0.25	**6.54**
Reversal/adjustment on disposals	-	-	-	(0.07)	0.00*	-	(0.01)	0.00*	**(0.08)**
As at 31 March 2022	**-**	**1.56**	**54.83**	**4.10**	**22.80**	**5.28**	**5.18**	**4.32**	**98.07**
Charge for the year	-	0.15	3.93	0.48	0.10	0.12	0.25	0.31	**5.34**
Reversal/adjustment on disposals	-	-	(0.06)	(0.39)	(0.44)	(0.08)	(0.04)	(0.28)	**(1.29)**
As at 31 March 2023	**-**	**1.71**	**58.70**	**4.19**	**22.46**	**5.32**	**5.39**	**4.35**	**102.12**
Net block:									
As at 31 March 2023	7.58	1.40	7.95	1.79	0.03	0.49	0.62	1.03	**20.89**
As at 31 March 2022	7.58	1.55	11.89	2.20	0.03	0.52	0.86	1.35	**25.98**

* Rounded off to nil.

Note 1: The amount of contractual commitments for the acquisition of property, plant and equipment, but not recognised as a liability as at 31 March 2023 was Nil (31 March 2022: Nil).

Note 2: The title deeds of all immovable properties are held in the name of the Company.

(₹ in crore)

Particulars	Capital work-in-progress
As at 1st April 2021	**-**
Additions	-
Capitalisations	-
As at 31st March 2022	**-**
As at 1st April 2022	-
Additions	0.70
Capitalisations	-
As at 31st March 2023	**0.70**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

a) Capital-Work-in Progress (CWIP) ageing schedule

(₹ in crore)

Particulars	As at 31 March 2023				
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Projects in progress	0.70	-	-	-	0.70
b) Projects temporarily suspended	-	-	-	-	-

b) Capital-Work-in Progress (CWIP) ageing schedule

(₹ in crore)

Particulars	As at 31 March 2022				
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Projects in progress	-	-	-	-	-
b) Projects temporarily suspended	-	-	-	-	-

NOTE 4: NON-CURRENT ASSETS

b) Other intangible assets

(₹ in crore)

	Computer software	Total
Gross block:		
As at 1 April 2021	**1.09**	**1.09**
Additions	-	-
As at 31 March 2022	**1.09**	**1.09**
Additions	-	-
As at 31 March 2023	**1.09**	**1.09**
Accumulated amortisation		
As at 1 April 2021	**0.09**	**0.09**
Amortisation charge for the year	0.11	0.11
As at 31 March 2022	**0.20**	**0.20**
Amortisation charge for the year	0.11	0.11
As at 31 March 2023	**0.31**	**0.31**
Net block:		
As at 31 March 2023	0.78	0.78
As at 31 March 2022	0.89	0.89

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 5: NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Investments in equity instruments (unquoted) - fully paid up - at cost		
(a) In wholly owned subsidiary companies		
PC Universal Private Limited	0.05	0.05
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each		
Luxury Products Trendsetter Private Limited	0.01	0.01
10,000 (31 March 2022: 10,000) equity shares of ₹ 10 each		
PC Jeweller Global DMCC	133.86	133.86
73,400 (31 March 2022: 73,400) equity shares of AED 1,000 each		
PC Gems & Jewellery Limited	0.05	0.05
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each		
	133.97	**133.97**
Less: Provision for impairment	(0.05)	(0.05)
	133.92	**133.92**
(b) In others		
Transforming Retail Private Limited*	0.01	0.01
10,000 (31 March 2022: 10,000) equity shares of ₹ 10 each		
	0.01	**0.01**
Aggregate amount of unquoted investments	133.98	133.98
Aggregate amount of impairment in value of investment	(0.05)	(0.05)
Aggregate amount of unquoted investments (net of impairment)	**133.93**	**133.93**

*Ceased to be subsidiary during the year

NOTE 6: FINANCIAL ASSETS - LOANS

(₹ in crore)

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
(Unsecured and considered good, unless stated otherwise)				
Loan to subsidiaries (refer note (a) below and note 37)				
- Considered good- unsecured	9.62	13.88	96.00	33.29
- Credit impaired	79.07	56.19	-	30.18
Loan to other body corporate (refer note (a) below)				
- Considered good- unsecured	8.23	0.35	8.23	0.42
Less : Loss allowance	(79.07)	(56.19)	-	(30.18)
Total	**17.85**	**14.23**	**104.23**	**33.71**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(a) Loans have been given to PC Universal Private Limited and Luxury Products Trendsetter Private Limited (subsidiaries) and Shivani Sarees Private Limited (a body corporate) for business purposes.

NOTE 7: OTHER FINANCIAL ASSETS

(₹ in crore)

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
(Unsecured and considered good)				
Deposits with maturity of more than 12 months (refer note (a) below)	0.95	-	0.15	-
Security deposits				
-Considered good- unsecured	25.49	5.49	25.61	2.65
Others	-	-	-	0.02
Total	**26.44**	**5.49**	**25.76**	**2.67**

NOTE 8: DEFERRED TAX ASSETS (NET)

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Deferred tax asset arising on account of		
Difference between accounting base and tax base of property, plant and equipment	-	12.79
Provision for employee benefits	-	1.72
Deferred lease rent	-	11.29
Provision for discount	-	0.74
Financial assets and liabilities at amortised cost	-	0.73
Unpaid interest to scheduled banks	-	63.60
Expected credit loss on trade receivables	-	52.90
Valuation of inventory	-	1.21
Others	-	5.89
	-	**150.87**
Deferred tax liability arising on account of		
Financial assets at fair value through profit or loss	-	(0.16)
	-	**(0.16)**
Net deferred tax assets	**-**	**150.71**

(a) Changes in deferred tax assets and deferred tax liabilities from 1 April 2022 to 31 March 2023

(₹ in crore)

Particulars	Opening balance as on 1 April 2022	Recognised/ (reversed) in statement of profit and loss	Recognised/ (reversed) in other comprehensive income	Recognised/ (reversed) directly in equity	Closing balance as on 31 March 2023
Deferred tax asset arising on account of					
Difference between accounting base and tax base of property, plant and equipment	12.79	(12.79)	-	-	-
Provision for employee benefits	1.72	(1.57)	(0.15)	-	-
Deferred lease rent	11.29	(11.29)	-	-	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

Particulars	Opening balance as on 1 April 2022	Recognised/ (reversed) in statement of profit and loss	Recognised/ (reversed) in other comprehensive income	Recognised/ (reversed) directly in equity	Closing balance as on 31 March 2023
Provision for discount	0.74	(0.74)	-	-	-
Financial assets and liabilities at amortised cost	0.73	(0.73)	-	-	-
Unpaid interest to scheduled banks	63.60	(63.60)	-	-	-
Expected credit loss on trade receivables	52.90	(52.90)	-	-	-
Valuation of inventory	1.21	(1.21)	-	-	-
Others	5.89	(5.88)	-	-	-
	150.87	**(150.71)**	**(0.15)**	**-**	**-**
Deferred tax liability arising on account of					
Financial assets at fair value through profit or loss	(0.16)	0.16	-	-	-
	(0.16)	**0.16**	**-**	**-**	**-**
Net deferred tax assets	**150.71**	**(150.55)**	**(0.15)**	**-**	**-**

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 31st March, 2023 in accordance with Ind AS-12. Further, the existing Deferred Tax Assets of ₹ 150.55 crores have also been derecognised during the year. The same shall be reviewed and reassessed in future period.

(b) Changes in deferred tax assets and deferred tax liabilities from 1 April 2021 to 31 March 2022

(₹ in crore)

Particulars	Opening balance as on 1 April 2021	Recognised/ (reversed) in statement of profit and loss	Recognised/ (reversed) in other comprehensive income	Recognised/ (reversed) directly in equity	Closing balance as on 31 March 2022
Deferred tax asset arising on account of					
Difference between accounting base and tax base of property, plant and equipment	13.46	(0.67)	-	-	12.79
Provision for employee benefits	1.73	0.11	(0.12)	-	1.72
Deferred lease rent	9.49	1.80	-	-	11.29
Provision for discount	0.70	0.04	-	-	0.74
Financial assets and liabilities at amortised cost	1.92	(1.19)	-	-	0.73
Unpaid interest to scheduled banks#	-	63.60	-	-	63.60
Expected credit loss on trade receivables#	15.75	37.15	-	-	52.90
Valuation of inventory	1.94	(0.73)	-	-	1.21
Others	6.38	(0.49)	-	-	5.89
	51.37	**99.62**	**(0.12)**	**-**	**150.87**
Deferred tax liability arising on account of					
Financial assets at fair value through profit or loss	(0.16)	-	-	-	(0.16)
	(0.16)	**-**	**-**	**-**	**(0.16)**
Net deferred tax assets	**51.21**	**99.62**	**(0.12)**	**-**	**150.71**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

During the financial year ended 31 March 2022, the increase in deffered tax assest (DTA) was on account of disallowances mainly of ECL and unapplied finance cost under Income-tax Act 1961.

NOTE 9: OTHER ASSETS

(₹ in crore)

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Advance to suppliers	-	17.05	-	18.30
Balances with statutory authorities	-	8.44	-	23.02
Prepaid expenses	5.82	2.44	7.76	2.52
Others*	-	10.37	-	4.84
	5.82	**38.30**	**7.76**	**48.68**

*The Company has treated ₹ 8.00 crore debited by lead bank on various occasions arbitrarily as disputed receivable.

NOTE 10: INVENTORIES

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
(valued at lower of cost and net realisable value)		
Raw materials	3.13	14.69
Work-in-progress	4,447.81	1,939.11
Finished goods*	1,170.87	3,562.42
	5,621.81	**5,516.22**

*Includes Stock-in-trade

NOTE 11: CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Investment in mutual funds (quoted) - at fair value through profit and loss		
Union Corporate Bond Fund - Regular Growth Plan (31 March 2023: 1,076,745 units , 31 March 2022: 1,076,745 units)	1.39	1.35
Canara Robeco Capital Protection Oriented Fund Series 10 Regular Growth Plan (31 March 2023: NIL units, 31 March 2022: 250,000 units)	-	0.33
ICICI PLFRAG Medium Term Bond Fund-Growth (31 March 2023: 71,825 units, 31 March 2022: 71,825 units)	0.27	0.26
HDFC Top 100 Fund-Growth Plan (31 March 2023: 4,661 units, 31 March 2022: 4,661 units)	0.35	0.32
State Bank of India Magnum Balanced Fund - Regular Growth Plan (31 March 2023: 10,628 units, 31 March 2022: 10,628 units)	0.21	0.22
	2.22	**2.48**
Aggregate amount of quoted investments and market value thereof	2.22	2.48

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 12: TRADE RECEIVABLES

(₹ in crore)

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Considered good - unsecured*#	1,155.28	323.95	1038.35	308.23
Credit impaired on trade receivables	230.62	31.97	223.26	27.37
Less: Loss allowance	(230.62)	(31.97)	(223.26)	(27.37)
	1,155.28	**323.95**	**1038.35**	**308.23**

* Includes receivable from related parties amounting ₹ 6.74 crore (31 March 2022: ₹ 8.60 crore) (refer note 37)

Includes amount of unrealised foreign currency gain of ₹ 239.74 (31 March 2022: ₹ 106.64 crore)

The net carrying amount of trade receivables is considered a reasonable approximation of fair value.

Trade receivables (Non-current) ageing schedule for the year ended 31 March 2022 and 31 March 2023:

(₹ in crore)

	Particulars	Amount Outstanding for following periods from due date of payment						Total
		Not Due 31-03-2023 (31-03-2022)	Less than 6 Months 31-03-2023 (31-03-2022)	6 Months to 1 Year 31-03-2023 (31-03-2022)	1 to 2 Years 31-03-2023 (31-03-2022)	2 to 3 Years 31-03-2023 (31-03-2022)	More than 3 Years 31-03-2023 (31-03-2022)	31-03-2023 (31-03-2022)
1.	Undisputed Trade receivables-Considered good	-	-	-	227.41	475.24	452.63	**1,155.28**
		-	159.73	48.82	430.48	399.32	-	**1,038.35**
2.	Undisputed Trade Receivables-which have significant increase in credit Risk	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
3.	Undisputed Trade Receivables-credit impaired	-	-	-	60.82	100.25	69.55	**230.62**
		-	44.23	12.98	100.14	65.91	-	**223.26**
4.	Disputed Trade Receivables -Considered good	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
5.	Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
6.	Disputed Trade Receivables-Credit impaired	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
	Total	**-**	**-**	**-**	**288.23**	**575.49**	**522.18**	**1,385.90**
		-	**203.96**	**61.80**	**530.62**	**465.23**	**-**	**1,261.61**
	Less: Allowance for Credit Loss							(230.62)
								(223.26)
	Total Trade Receivables							**1,155.28**
								1,038.35

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Trade receivables (Current) ageing schedule for the year ended 31 March 2022 and 31 March 2023:

(₹ in crore)

	Particulars	Amount Outstanding for following periods from due date of payment						Total
		Not Due 31-03-2023 (31-03-2022)	Less than 6 Months 31-03-2023 (31-03-2022)	6 Months to 1 Year 31-03-2023 (31-03-2022)	1 to 2 Years 31-03-2023 (31-03-2022)	2 to 3 Years 31-03-2023 (31-03-2022)	More than 3 Years 31-03-2023 (31-03-2022)	31-03-2023 (31-03-2022)
1.	Undisputed Trade receivables-Considered good	32.09	0.63	0.01	0.00*	0.23	290.99	**323.95**
		20.92	0.28	0.01	0.23	285.21	1.58	**308.23**
2.	Undisputed Trade Receivables-which have significant increase in credit Risk	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
3.	Undisputed Trade Receivables-credit impaired	-	-	-	-	-	31.97	**31.97**
		-	-	-	-	27.37	-	**27.37**
4.	Disputed Trade Receivables -Considered good	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
5.	Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
6.	Disputed Trade Receivables-Credit impaired	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
	Total	**32.09**	**0.63**	**0.01**	**0.00***	**0.23**	**322.96**	**355.92**
		20.92	**0.28**	**0.01**	**0.23**	**312.58**	**1.58**	**335.60**
	Less: Allowance for Credit Loss							(31.97)
								(27.37)
	Total Trade Receivables							**323.95**
								308.23

*Rounded off to nil

NOTE 13: CASH AND CASH EQUIVALENTS

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Balances with banks - in current accounts (refer note (a) below)	36.35	18.24
Cheques on hand	-	0.10
Cash on hand	3.89	2.46
Deposits with original maturity of less than 3 months	-	-
	40.24	**20.80**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

(a) Inter-alia includes deposits of ₹ 0.00* crore (31 March 2022: ₹ 0.00* crore) which are earmarked.

*Rounded off to nil

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 14: OTHER BANK BALANCES

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Deposits with maturity of more than 3 months but less than 12 months (refer note a below)	0.10	36.73
Unclaimed dividend account (refer note b below)	0.07	0.09
	0.17	**36.82**

(a) Inter-alia includes deposits of ₹ 0.02 crore (31 March 2022: ₹ 0.02 crore) which are earmarked.

(b) Not due for deposit to the Investor Education and Protection Fund.

NOTE 15: EQUITY SHARE CAPITAL

(₹ in crore)

		Number of shares	Amount
a)	**Authorised share capital**		
	Equity shares of ₹ 10 each		
	Total authorised equity share capital as at 31st March 2022/ 31 March 2023	**500,000,000**	**500.00**
	Preference shares of ₹ 10 each		
	Total authorised preference share capital as at 31 March 2022/31 March 2023	**260,000,000**	**260.00**
	Issued, subscribed and paid-up share capital:		
	Equity shares of ₹ 10 each		
	Balance as at 1 April 2021	465,403,896	465.40
	Changes in equity share capital due to prior period errors	-	-
	Changes in equity share capital during the year	-	-
	Balance as at 31 March 2022	**465,403,896**	**465.40**
	Changes in equity share capital due to prior period errors	-	-
	Changes in equity share capital during the year	-	-
	Balance as at 31 March 2023	**465,403,896**	**465.40**

b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

c) Shares reserved for issue under options

3,461,867 equity shares are reserved for the issue under the Employees' stock option plan of the Company. Information relating to Employees' stock option plan, including details of options granted, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 36.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

d) Details of shareholders holding more than 5% of the shares of the Company*

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 10 each				
Mr. Balram Garg	204,282,100	43.89%	204,282,100	43.89%
Mrs. Krishna Devi	48,462,813	10.41%	48,462,813	10.41%
	252,744,913	**54.30%**	**252,744,913**	**54.30%**

**As per the records of the Company, including its register of shareholders/members and other declarations, if any, received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.*

e) Disclosure of shareholding of Promoters

Name of Promoter	Equity shares held by promoters				% change during the year
	As at 31 March 2023		As at 31 March 2022		
	Number of shares	% of total shares	Number of shares	% of total shares	
Mr. Balram Garg	204,282,100	43.89%	204,282,100	43.89%	-

f) The shareholders of the Company approved the issue of 179,212,800 equity shares as bonus shares which were subsequently alloted on 10 July 2017. Further the Company has allotted 11,236,800 equity shares as bonus shares on 19 August 2017 on conversion of compulsorily convertible debentures. Other than this, the Company has not issued any shares pursuant to contract without payment being received in cash, or allotted as fully paid up by way of bonus shares or bought back any shares during the period of five years immediately preceding the date of balance sheet.

NOTE 16: OTHER EQUITY

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Retained earnings	1,920.04	2,259.24
General reserve	69.97	69.97
Securities premium	1,068.98	1,068.98
Share options outstanding account	17.30	17.30
Other comprehensive income	3.36	2.90
	3,079.65	**3,418.39**

Retained earnings

Retained earnings are created from the profit/loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

General reserve

Under the Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with Companies (Transfer of profits to Reserve) Rules,1975. Consequent to introduction of the Companies Act 2013, there is no such requirement to mandatorily transfer a specified percentage of the net profit to general reserve.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Securities premium

Securities premium is used to record the premium on issue of shares. The premium will be utilised in accordance with provisions of the Companies Act 2013.

Share options outstanding account

The reserve account is used to recognise the grant date fair value of options issued to employees under employee stock option plan, over the vesting period.

NOTE 17: NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in crore)

	Interest rate	Maturity date	As at 31 March 2023	As at 31 March 2022	Remarks
Secured					
Vehicle loans					
Less: Current maturities of long term borrowings			-	-	
Total			-	-	

During the previous financial year ended 31 March 2022, all vehicle loans were closed due to prepayment of outstanding balance although the maturity was May 2024.

NOTE 18: PROVISIONS

(₹ in crore)

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Provision for employee benefits obligations (refer note 35)	4.07	2.65	4.42	2.40
	4.07	**2.65**	**4.42**	**2.40**

NOTE 19: CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in crore)

	Interest rate	Maturity date	As at 31 March 2023	As at 31 March 2022	Remarks
Secured (carried at amortised cost)					
From banks:					
Cash credit facilities	12.35% - 23.98%	Payable on demand	1,863.51	1,700.63	Refer note (ii)&(iii)
Funded interest term loans	11.59% - 19.64%	Payable on demand	105.31	99.97	Refer note (ii)&(iii)
Demand loans	11.77% - 22.77%	Payable on demand	1,452.65	1,291.24	Refer note (ii)&(iii)
Bank overdraft	13.35% - 16.40%	Payable on demand	204.62	186.56	Refer note (ii)&(iii)
Total			**3,626.09**	**3,278.40**	
Unsecured					
Loan from promoter	Interest free	Payable on demand	4.29	4.29	
Total current financial liabilities-borrowings			**3,630.38**	**3,282.69**	

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(i) Details of period and amount of default in loan repayment as at year end:

Name of Bank	Interest/Pricipal*	Period of Default	(₹ in crore)	Period of Default	(₹ in crore)
State Bank of India	Principal/Interest	The delay in repayments ranging between 1 to 1095 days as on 31 March 2023	1,150.75	The delay in repayments ranging between 1 to 730 days as on 31 March 2022	1,060.07
Punjab National Bank	Principal/Interest		538.43		478.69
Union Bank of India (including erstwhile Corporation Bank)	Principal/Interest		588.50		530.00
Indian Bank (including erstwhile Allahabad Bank)	Principal/Interest		255.63		226.41
Bank of India	Principal/Interest		219.65		197.72
Indian Overseas Bank	Principal/Interest		220.52		194.01
IDBI Bank	Principal/Interest		106.36		95.59
Bank of Baroda	Principal/Interest		51.07		47.65
Axis Bank	Principal/Interest		56.14		51.45
IDFC First Bank	Principal/Interest		65.17		58.90
Canara Bank (including erstwhile Syndicate Bank)	Principal/Interest		186.63		167.20
KVB Bank	Principal/Interest		31.41		27.61
Kotak Mahindra Bank	Principal/Interest		130.15		120.34
IndusInd Bank	Principal/Interest		25.68		22.76
Total			3,626.09		3,278.40

(ii) Cash credit facilities, Funded interest term loans, demand loans and bank overdrafts are secured against first pari passu charge on current assets, property, plant and equipment and fixed deposits of the Company. These loans are further fully secured by personal guarantees of promoter director and other individuals alongwith corporate guarantees and collateral securities of other companies.

(iii) The status of the Company's borrowing accounts is 'Non Performing Assets' (NPA) with all the banks. Total exposure outstanding as on 31 March 2023 amounting to ₹ 3,626.09 crore includes provision for interest upto 31 March 2023 (the company has however disputed the same legally) which has been calculated based on management's estimates which stands accrued but not applied by banks post NPA downgradation. Some of the banks have provided confirmation of outstanding amount including interest upto 31 March 2023, whereas some of the banks have provided figures without applied interest. Therefore provision for unapplied interest for ₹ 248.90 crore for the year ended 31 March 2023 has been made as per the best estimates of the management. The quantum of finance cost as incorporated in the financials is to comply with the Ind AS 109. However the figures in relation to interest and other amounts shown in books of accounts and Balance Sheet pertaining to secured creditors/banks are disputed amounts and interest charged by the banks are not payable by company or its directors, as the same are also disputed. These figures or amounts are not an admission of any liability of any alleged debt of secured creditors/banks. The secured creditor/SBI has filed case no. 01/2023 before Debts Recovery Tribunal no.III, New Delhi, against the company which is disputed and also being contested by the company and its Directors/Alleged Guarantors/Corporate Guarantors. Further, the company has also filed claim for Rs 10,034 crores against SBI before Debts Recovery Tribunal no.III, New Delhi, as counter claim no. 01/2023 arising in relation to case no. 01/2023. It is also clarified that previous amounts/figures shown in the Balance Sheet for FY 2022-23, 2021-22 and 2020-21 are also in dispute as there has been breach of contract/agreement by the banks failure to adhere minutes of meeting in various JLM's between banks and Company and the figures shown in Balance Sheet for FY 2022-23, 2021-22 and 2020-21 are disputed figures and cannot be termed as admission of any liability of any nature whatsoever in any court of law. The Company has also treated ₹ 8.00 crore debited by lead bank on various occasions arbitrarily as disputed receivable.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 20: TRADE PAYABLES

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 43)	1.98	0.45
- Total outstanding dues of creditors other than micro enterprises and small enterprises*	16.24	14.95
	18.22	**15.40**

Trade payables ageing schedule for the year ended as on 31 march 2022 and 31 March 2023

(₹ in crore)

Particulars	Amount outstanding for following periods from due date of payment					Total
	Not Due 31-03-2023 (31-03-2022)	Less than 1 year 31-03-2023 (31-03-2022)	1-2 years 31-03-2023 (31-03-2022)	2-3 years 31-03-2023 (31-03-2022)	More than 3 years 31-03-2023 (31-03-2022)	31-03-2023 (31-03-2022)
1. MSME	-	1.97	-	0.01	-	1.98
	-	0.23	0.04	0.18	-	0.45
2. Others	-	3.71	0.06	11.45	1.02	16.24
	-	3.36	10.57	0.71	0.31	14.95
3. Disputed dues-MSME	-	-	-	-	-	-
	-	-	-	-	-	-
4. Disputed dues-others	-	-	-	-	-	-
	-	-	-	-	-	-
Total	**-**	**5.68**	**0.06**	**11.46**	**1.02**	**18.22**
	-	**3.59**	**10.61**	**0.89**	**0.31**	**15.40**

NOTE 21: OTHER CURRENT FINANCIAL LIABILITIES

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Unpaid dividends*	0.07	0.09
Employee related payables	9.70	4.66
Others	42.13	33.54
	51.90	**38.29**

* Not due for deposit to the Investor Education and Protection Fund

NOTE 22: OTHER CURRENT LIABILITIES

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Advances received from customers	22.71	56.82
Deposits received from customers	-	7.06
Statutory dues payable	0.88	0.84
Others	26.82	11.45
	50.41	**76.17**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 23: CURRENT TAX LIABILITIES (NET)

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Provision for income-tax (net of prepaid taxes)	81.40	126.81
	81.40	**126.81**

NOTE 24: REVENUE FROM OPERATIONS

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products	2,359.46	1,574.05
	2,359.46	**1,574.05**

NOTE 25: OTHER INCOME

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Interest income on:		
fixed deposits with banks	1.21	1.70
loans to subsidiaries	6.61	6.95
loan to a body corporate	0.60	0.56
other financial assets carried at amortised cost	3.27	2.94
Gain on investments measured at FVTPL	-	0.01
Net Profit on sale of property, plant and equipment	-	0.01
Net gain on foreign currency transactions and translations	132.14	39.42
Liabilities written back	-	0.73
Other non-operating income	4.02	7.19
	147.85	**59.51**

NOTE 26: COST OF MATERIALS CONSUMED

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Raw material		
Balance at the beginning of the year	14.69	1.54
Add: purchases during the year	2,001.45	1,059.53
Less: balance at the end of the year	3.13	14.69
	2,013.01	**1,046.38**

NOTE 27: PURCHASES OF STOCK-IN-TRADE

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Purchases of stock-in-trade	95.00	41.12
	95.00	**41.12**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 28: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance		
Work-in-progress	1,939.11	1,951.57
Finished goods*	3,562.42	3,840.61
	5,501.53	**5,792.18**
Closing balance		
Work-in-progress	4,447.81	1,939.11
Finished goods*	1,170.87	3,562.42
	5,618.68	**5,501.53**
	(117.15)	**290.65**

*Includes Stock-in-trade

NOTE 29: EMPLOYEE BENEFITS EXPENSE

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and wages	49.96	42.85
Contribution to provident and other funds	1.97	1.81
Staff welfare expenses	1.51	0.81
	53.44	**45.47**

NOTE 30: FINANCE COSTS

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense on financial liabilities at amortised cost#	468.98	408.95
Interest on late deposit of advance tax	9.47	9.92
Interest on lease liabilities	12.96	13.43
Other finance costs	0.28	5.07
	491.69	**437.37**

includes ₹ 0.00 crore (31 March 2022: ₹ 6.45 crore) as finance cost on gold on lease.

NOTE 31: DEPRECIATION AND AMORTISATION EXPENSES

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on property, plant and equipment	5.34	6.54
Amortisation of right-of-use assets	20.40	19.59
Amortisation of intangible assets	0.11	0.11
	25.85	**26.24**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 32: OTHER EXPENSES

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Advertisement and publicity	9.21	2.85
Labour charges	16.59	19.21
Hallmarking charges	1.01	0.60
Consumption of packing material	1.82	1.57
Rent (refer note 45)	5.25	4.49
Business promotion	0.34	0.18
Communication	1.17	1.07
Repairs and maintenance	4.61	4.38
Provision for impairment	105.08	4.86
Discount and commission	1.14	1.20
Electricity and water	7.32	5.84
Vehicle running and maintenance	0.04	0.03
Insurance	0.86	0.73
Legal and professional (including payment to auditors) (refer note (a) below)	5.03	3.48
Rates and taxes	0.47	0.96
Printing and stationery	0.25	0.23
Security expenses	5.18	5.14
Travelling and conveyance	2.04	1.69
Loss on investments measured at FVTPL	0.01	-
Expected credit loss on trade receivables	11.96	188.07
Net loss on sale of property, plant and equipment	0.02	-
Bank charges	7.30	4.84
Expenditure on corporate social responsibility activities (refer note 46)	-	0.94
Miscellaneous expenses	3.61	2.12
	190.31	**254.48**
*rounded off to nil		
(a) Payment to the auditors:		
- As auditors	0.30	0.15
- For other services (including limited reviews)	0.23	0.23
- For reimbursement of expenses	0.01	0.01
Total	**0.54**	**0.39**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 33: CURRENT TAX

(a) Income-tax expense through the statement of profit and loss

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current tax:		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	(56.28)	(18.93)
	(56.28)	**(18.93)**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	150.55	(99.62)
Total tax expense	**94.27**	**(118.55)**

(b) Income-tax on other comprehensive income

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Re-measurement of defined benefit obligations	(0.15)	(0.12)
Total tax expense recognised in other comprehensive income	**(0.15)**	**(0.12)**

(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Accounting profit before income-tax	(244.84)	(508.15)
Applicable Indian statutory income-tax rate	25.17%	25.17%
Computed expected tax expense	-	-
Prior period adjustments (refer note (a)&(b) below)	(56.28)	(18.93)
Effect of reversal of existing Deferred Tax Assets (refer note (d) below)	150.55	(99.62)
Income-tax expense reported in the statement of profit and loss	**94.27**	**(118.55)**

Note:

(a) 'During the year ended 31 March 2023, the Company has accounted income of ₹ 56.28 crore on account of reversal of outstanding provisions of Income-tax of ₹ 42.37 crore and ₹ 5.76 crore for the A.Y. 2020-2021 and A.Y. 2021-2022 respectively, and on account of booking income tax refund of ₹ 8.15 crore for the A.Y. 2020-2021, pursuant to assessment orders received under section 143(3) of the Income-tax Act, 1961. The refund amount has been adjusted against outstanding demand of A.Y. 2018-2019.

(b) During the previous year ended 31 March 2022, income tax refund of ₹ 18.93 crore has been accounted by the company pursuant to order of Income Tax Appellate Tribunal (ITAT) for previous assessment years. The same has been adjusted against the outstanding demand of AY 18-19.

(c) The Company is following the option exercised for reduced tax rate permitted under section 115BAA of the Income-tax Act, 1961 for the financial year ended 31 March 2023 as introduced by the Taxation Laws (Amendment) Ordinance 2019.

(d) 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 31st March 2023 in accordance with Ind AS-12. Further, the existing Deferred Tax Assets of ₹ 150.55 crores have also been derecognised during the year. The same shall be reviewed and reassessed in future period.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 34: EARNINGS PER SHARE

Particulars	Units	Year ended 31 March 2023	Year ended 31 March 2022
The numerators and denominators used to calculate the basic and diluted EPS are as follows:			
Net profit attributable to shareholders for basic/diluted earnings per share	₹ in crore	**(339.11)**	**(389.60)**
Weighted average number of equity shares for basic earnings per share	Nos.	**465,403,896**	**465,403,896**
Weighted average number of equity shares for diluted earnings per share	Nos.	**465,403,896**	**465,403,895**
Basic earnings per share	₹	(7.29)	(8.37)
Diluted earnings per share	₹	(7.29)	(8.37)

NOTE 35: EMPLOYEE BENEFITS

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Provision for gratuity	6.16	6.48
Provision for compensated absences	0.56	0.34
	6.72	**6.82**

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the amount recognised in the balance sheet for the defined benefit plan.

(₹ in crore)

	Gratuity benefits	
	As at 31 March 2023	As at 31 March 2022
Change in the present value of the defined benefit obligation:		
Opening defined benefit obligation	6.48	6.53
Interest cost	0.37	0.37
Current service cost	0.72	0.79
Benefits paid	(0.80)	(0.72)
Actuarial (gains) on obligation	(0.61)	(0.49)
Closing defined benefit obligation	**6.16**	**6.48**
Expense recognised in the statement of profit and loss:		
Current service cost	0.72	0.79
Interest cost	0.37	0.37
	1.09	**1.16**
(Income) recognised in the other comprehensive income:		
Net actuarial (gain) in the year	(0.61)	(0.49)
	(0.61)	**(0.49)**
Net expense recognised in the total comprehensive income	**0.48**	**0.67**
Breakup of actuarial (gain)/loss		
Actuarial (gain)/loss arising from change in demographic assumption	Not applicable	Not applicable
Actuarial (gain)/loss arising from change in financial assumption	(0.25)	(0.08)
Actuarial (gain)/loss arising from experience adjustment	(0.36)	(0.41)
	(0.61)	**(0.49)**

Actuarial assumptions used

	As at 31 March 2023	As at 31 March 2022
Discount rate	7.50%	5.75%
Long-term rate of compensation increase	5.00%	5.00%
Average remaining life (in years)	25.90	26.10

Demographic assumptions used

	As at 31 March 2023	As at 31 March 2022
Mortality table	IALM(2012-14)	IALM(2012-14)
Retirement age (in years)	60.00	60.00
Average remaining life (in years)	25.90	26.10

These assumptions were developed by the management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the average life expectancy. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability:

(₹ in crore)

	As at 31 March 2023		As at 31 March 2022	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate				
(Decrease)/ increase in the defined benefit liability	(0.15)	0.16	(0.17)	0.18
Salary growth rate				
Increase/ (decrease) in the defined benefit liability	0.14	(0.13)	0.16	(0.15)
Average life expectancy				
Increase/ (decrease) in the defined benefit liability	negligible	negligible	negligible	negligible

The present value of the defined benefit obligation is calculated as mentioned in note 3(n) of the financial statements. The sensitivity analysis is based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another since some of the assumptions may be co-related.

Based on historical data, the Company expects contributions of ₹ 0.99 crore (31 March 2022 : ₹ 1.13 crore) in the next 12 months.

Amounts for the current and previous four years are as follows:

(₹ in crore)

	2022-23	2021-22	2020-21	2019-20	2018-19
Defined benefit obligations	6.16	6.48	6.53	6.81	7.08
Experience gain/(loss) adjustments on planned liabilities	0.36	0.41	0.96	0.44	0.61

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Compensated absences

The leave obligations cover the Company's liability for sick and earned leaves. The Company does not have an unconditional right to defer settlement for the obligation shown as current provision balance. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Therefore, based on the independent actuarial report, provision for compensated absences has been bifurcated as current and non-current.

Actuarial assumptions used

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	7.50%	5.75%
Expected salary escalation rate	5.00%	5.00%

Defined contribution plans

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 1.42 crore (31 March 2022 : ₹ 1.31 crore). There are no amounts outstanding of post employment benefits, other long-term benefits and share based payment for the current and previous year.

NOTE 36: EMPLOYEE STOCK OPTION PLAN

PC Jeweller Limited Employee Stock Option Plan 2011

During the year ended 31 March 2012, the Company had formulated Employee Stock Option Scheme referred to as PC Jeweller Limited Employee Stock Option Plan 2011 (the 'Plan') for all eligible employees/directors of the Company and its subsidiaries.

The plan is implemented by the Nomination and Remuneration Committee constituted by the Company under the policy and framework laid down by the Company and/ or the Board of Directors of the Company, in accordance with the authority delegated to the Nomination and Remuneration Committee in this regard from time to time and subject to the amendments, modifications and alterations to the plan made by the Company and/or the Board of Directors in this regard. The issuance of the options are under the guidance, advice and directions of the Nomination and Remuneration Committee.

Each stock option granted entitles the grantee thereof to apply for and be allotted one equity share of the Company upon vesting. Vesting of the options taken place over a period of 4 years with a minimum vesting period of 1 year from the grant date.

(a) The vesting schedule is set forth as follows:

Vesting	Number of months from the date of grant of options	Percentage of options vested	Cumulative percentage of options vested
1	12	10	10
2	24	20	30
3	36	30	60
4	48	40	100

The options granted shall vest so long as the employee continues to be in employment with the Company, i.e., the options will lapse if the employment is terminated prior to vesting. Even after the options are vested, un-exercised options may be forfeited if the services of the employee are terminated for reasons specified in the Plan.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(b) Set out below is a summary of options granted under the Plan:

	31 March 2023		31 March 2022	
	Average exercise price per share	Number of options	Average exercise price per share	Number of options
Balance at the beginning of the year	**10.00**	**517,116**	**10.00**	**554,524**
Options granted during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options lapsed/forfeited during the year	-	-	10.00	37,408
Balance at the end of the year	**10.00**	**517,116**	**10.00**	**517,116**
Vested and exercisable	10.00	517,116	10.00	517,116

(c) Exercise price and expiry dates of share options outstanding at the end of the year:

Grant date	Weighted average remaining contractual life of options outstanding as on		Expiry date	Average exercise price per share	Total share options granted	Share options outstanding as on 31 March 2023	Share options outstanding as on 31 March 2022
	31 March 2023	31 March 2022					
14 May 2015	0.12	1.12	13 May 2023	10.00	726,300	235,000	235,000
25 May 2017	2.16	3.16	24 May 2025	10.00	50,000	-	-
01 August 2017	2.34	3.34	31 July 2025	10.00	100,000	-	-
19 January 2018	2.81	3.81	18 January 2026	10.00	882,537	282,116	282,116
Total						**517,116**	**517,116**

(d) The fair value of the options granted has been calculated on the date of grant using Black Scholes option pricing model with the following assumptions:

(i)	Grant date	14 May 2015	25 May 2017	01 August 2017	19 January 2018
(ii)	Expiry date	13 May 2023	24 May 2025	31 July 2025	18 January 2026
(iii)	Fair value of options granted (per share)	₹ 318.22	₹ 393.99	₹ 231.55	₹ 536.47
(iv)	Exercise price	₹ 10	₹ 10	₹ 10	₹ 10
(v)	Share price at grant date	₹ 328.50	₹ 452.60	₹ 251.75	₹ 587.35
(vi)	Weighted historical volatility (%)	52.61	52.82	52.48	51.85
(vii)	Time to maturity-years	8 years	8 years	8 years	8 years
(viii)	Expected dividend yield (%)	0.71	1.23	1.23	1.23
(ix)	Risk free interest rate (%)	7.97- 8.04	6.82- 7.09	6.50- 6.83	7.26- 7.37

The volatility used in the Black Scholes Option Pricing Model is the annualized standard deviation of the continuously compounded rate of return of the stock over a period of time. Informal tests and preliminary research tends to confirm that estimates of the expected long-term future volatility should be based on historical volatility for a period that approximates the expected life of the options being valued. The Company was listed on BSE Limited and National Stock Exchange of India Limited on 27 December 2012. The volatility is determined by taking into account the period since the listing of the Company.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 37: RELATED PARTY TRANSACTIONS

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", name of the related parties, related party relationships, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

List of related parties

Relationship	Name of the related party
Subsidiaries	PC Universal Private Limited*
	Luxury Products Trendsetter Private Limited*
	PC Jeweller Global DMCC*
	PCJ Gems & Jewellery Limited*
	Transforming Retail Private Limited * ^
Step down subsidiary	Comercializadora Internacional PC Jeweller International SAS**
Key management personnel (KMP)	Mr. Balram Garg (Promoter and Managing Director)***
	Mr. Sanjeev Bhatia (Chief Financial Officer)
	Mr. Vijay Panwar (Company Secretary)
Directors	Mr. Ramesh Kumar Sharma (Executive Director)
	Mr. Krishan Kumar Khurana (Independent Director)
	Mr. Manohar Lal Singla (Independent Director)
	Mr. Miyar Ramanath Nayak (Independent Director)
	Mrs. Sannovanda Machaiah Swathi (Independent Director)
	Mr. Suresh Kumar Jain (Independent Director)

**Certain directors of the Company are also directors in these entities.*

***With effect from 05 April 2021 it ceased to exist as the company had entered into settlement in its country of incorporation. The company has obtained certificate of dissolution from Chamber of Commerce of Medellin for Antioquia on 09 April 2021.*

****Also refer note 15(d) for parties with more than 5% voting rights.*

^Ceased to be subsidiary during the year.

Details of transactions between the Company and its related parties are disclosed below:

(₹ in crore)

Particulars	Subsidiaries		Key management personnel/Director and their relatives		Entities where significant influence is exercised by KMP/Directors and/or their relatives having transactions with the Company	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
(i) Transactions during the year						
Provision for impairment of accrued interest on loan						
PC Universal Private Limited	25.07	4.86	-	-	-	-
Luxury Products Trendsetter Private Limited	0.94	-	-	-	-	-
	26.01	**4.86**	**-**	**-**	**-**	**-**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

Particulars	Subsidiaries		Key management personnel/Director and their relatives		Entities where significant influence is exercised by KMP/Directors and/ or their relatives having transactions with the Company	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Provision for impairment of loan						
PC Universal Private Limited	79.07	-	-	-	-	-
	79.07	**-**	**-**	**-**	**-**	**-**
Loan repaid/adjusted						
PC Universal Private Limited	-	2.00	-	-	-	-
Luxury Products Trendsetter Private Limited	7.30	25.05	-	-	-	-
	7.30	**27.05**	**-**	**-**	**-**	**-**
Expenses incurred by Company on behalf of						
Transforming Retail Private Limited	0.02	0.03	-	-	-	-
Luxury Products Trendsetter Private Limited	0.00*	0.02	-	-	-	-
	0.02	**0.05**	**-**	**-**	**-**	**-**
Expenses incurred on behalf of Company by						
Transforming Retail Private Limited	7.40	22.07	-	-	-	-
Luxury Products Trendsetter Private Limited	0.01	-	-	-	-	-
	7.41	**22.07**	**-**	**-**	**-**	**-**
Payment Received on behalf of company by						
Transforming Retail Private Limited	14.79	19.23	-	-	-	-
	14.79	**19.23**	**-**	**-**	**-**	**-**
Interest income on loan						
PC Universal Private Limited	5.66	4.86	-	-	-	-
Luxury Products Trendsetter Private Limited	0.94	2.08	-	-	-	-
	6.60	**6.94**	**-**	**-**	**-**	**-**
Sale of goods/services (net of sale return)						
Transforming Retail Private Limited	30.94	20.52	-	-	-	-
Luxury Products Trendsetter Private Limited	0.59	0.14	-	-	-	-
	31.53	**20.66**	**-**	**-**	**-**	**-**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

Particulars	Subsidiaries		Key management personnel/Director and their relatives		Entities where significant influence is exercised by KMP/Directors and/ or their relatives having transactions with the Company	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Purchase of goods and services						
Transforming Retail Private Limited	38.65	74.54	-	-	-	-
Luxury Products Trendsetter Private Limited	11.83	12.01	-	-	-	-
	50.48	**86.55**	**-**	**-**	**-**	**-**
Reversal of provision for expected credit loss						
Transforming Retail Private Limited	-	0.37	-	-	-	-
PC Universal Private Limited	-	0.01	-	-	-	-
	-	**0.38**	-	**-**	**-**	**-**
Reversal of share option investment						
Luxury Products Trendsetter Private Limited	-	2.32	-	-	-	-
	-	**2.32**	**-**	**-**	**-**	**-**
Adjustment towards Rent						
Mr. Balram Garg	-	-	-	0.06	-	-
	-	**-**	**-**	**0.06**	**-**	**-**
Adjustment towards loan						
Mr. Balram Garg	-	-	-	0.08	-	-
	-	**-**	**-**	**0.08**	**-**	**-**
Rent paid						
Mr. Balram Garg	-	-	0.01	0.03	-	-
	-	**-**	**0.01**	**0.03**	**-**	**-**
Remuneration paid						
Mr. Sanjeev Bhatia	-	-	0.40	0.40	-	-
Mr. Vijay Panwar	-	-	0.41	0.40	-	-
Mr. Ramesh Kumar Sharma	-	-	0.40	0.40	-	-
	-	**-**	**1.21**	**1.20**	**-**	**-**
Advance Written off						
Mr. Sanjeev Bhatia	-	-	0.48	-	-	-
Mr. Vijay Panwar	-	-	0.15	-	-	-
Mr. Ramesh Kumar Sharma	-	-	0.50	-	-	-
	-	**-**	**1.13**	**-**	**-**	**-**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

Particulars	Subsidiaries		Key management personnel/Director and their relatives		Entities where significant influence is exercised by KMP/Directors and/ or their relatives having transactions with the Company	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Sitting Fees paid						
Mr. Krishan Kumar Khurana	-	-	0.03	0.03	-	-
Mr. Miyar Ramanath Nayak	-	-	0.02	0.01	-	-
Mr. Manohar Lal Singla	-	-	0.02	0.03	-	-
Mrs. Sannovanda Machaiah Swathi	-	-	0.01	0.01	-	-
Mr. Suresh Kumar Jain	-	-	0.01	0.01	-	-
	-	**-**	**0.09**	**0.09**	**-**	**-**
* rounded off to nil						
(ii) Balance outstanding at the year end						
Loans						
PC Universal Private Limited	79.07	79.07	-	-	-	-
Luxury Products Trendsetter Private Limited	9.63	16.92	-	-	-	-
	88.70	**95.99**	**-**	**-**	**-**	**-**
Interest accrued on loan (gross)						
PC Universal Private Limited	55.25	49.59	-	-	-	-
Luxury Products Trendsetter Private Limited	14.82	13.88	-	-	-	-
	70.07	**63.47**	**-**	**-**	**-**	**-**
Provision for impairment of interest accrued on loan						
PC Universal Private Limited	55.25	30.18	-	-	-	-
Luxury Products Trendsetter Private Limited	0.94	-	-	-	-	-
	56.19	**30.18**	**-**	**-**	**-**	**-**
Provision for impairment of loan						
PC Universal Private Limited	79.07	-	-	-	-	-
	79.07	**-**	**-**	**-**	**-**	**-**
Reimbursement Receivable						
PC Universal Private Limited	0.02	0.02	-	-	-	-
	0.02	**0.02**	**-**	**-**	**-**	**-**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

Particulars	Subsidiaries		Key management personnel/Director and their relatives		Entities where significant influence is exercised by KMP/Directors and/or their relatives having transactions with the Company	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Trade receivables (gross)						
PC Universal Private Limited	0.56	0.56	-	-	-	-
Transforming Retail Private Limited	6.16	8.02	-	-	-	-
	6.72	**8.58**	**-**	**-**	**-**	**-**
Trade payable						
Luxury Products Trendsetter Private Limited	0.82	0.04	-	-	-	-
	0.82	**0.04**	**-**	**-**	**-**	**-**
Investments						
Transforming Retail Private Limited	0.01	0.01	-	-	-	-
Luxury Products Trendsetter Private Limited	0.01	0.01*	-	-	-	-
PC Jeweller Global DMCC	133.86	133.86	-	-	-	-
PC Universal Private Limited	0.05	0.05	-	-	-	-
PCJ Gems & Jewellery Limited	0.05	0.05	-	-	-	-
	133.98	**133.98**	**-**	**-**	**-**	**-**
Provision for impairment of investment						
PC Universal Private Limited	0.05	0.05	-	-	-	-
	0.05	**0.05**	**-**	**-**	**-**	**-**
Loan outstanding						
Mr. Balram Garg	-	-	4.29	4.29	-	-
	-	**-**	**4.29**	**4.29**	**-**	**-**
Rent Payable						
Mr. Balram Garg	-	-	0.01	-	-	-
	-	**-**	**0.01**	**-**	-	-
Remuneration Payable						
Mr. Sanjeev Bhatia	-	-	0.09	0.03	-	-
Mr. Vijay Panwar	-	-	0.10	0.03	-	-
Mr. Ramesh Kumar Sharma	-	-	0.09	0.03	-	-
	-	**-**	**0.28**	**0.09**	**-**	**-**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

Particulars	Subsidiaries		Key management personnel/Director and their relatives		Entities where significant influence is exercised by KMP/Directors and/ or their relatives having transactions with the Company	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Advances recoverable						
Mr. Sanjeev Bhatia	-	-	-	0.48	-	-
Mr. Vijay Panwar	-	-	-	0.15	-	-
Mr. Ramesh Kumar Sharma	-	-	-	0.50	-	-
	-	**-**	**-**	**1.13**	**-**	**-**
Sitting Fees Payable						
Mr. Krishan Kumar Khurana	-	-	0.05	0.02	-	-
Mr. Miyar Ramanath Nayak	-	-	0.04	0.02	-	-
Mr. Manohar Lal Singla	-	-	0.05	0.03	-	-
Mrs. Sannovanda Machaiah Swathi	-	-	0.01	-	-	-
Mr. Suresh Kumar Jain	-	-	0.01	-**	-	-
	-	**-**	**0.16**	**0.07**	**-**	**-**

*After reversal of share option investment.
** Rounded off to nil

NOTE 38: Details of amounts due from entities pursuant to Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and disclosure under Section 186(4) of the Act:

As at 31 March 2023

(₹ in crore)

Particulars	PCJ Gems & Jewellery Limited (Wholly owned Subsidiary)	PC Universal Private Limited (Wholly owned Subsidiary)	Luxury Products Trendsetter Private Limited (Wholly owned Subsidiary)	Transforming Retail Private Limited^	PC Jeweller Global DMCC (Wholly owned Subsidiary)	Shivani Sarees Private Limited
Investments						
Investments at the beginning of the year	0.05	-*	0.01	0.01	133.86	-
Additions during the financial year	-	-	-	-	-	-
Less: Reversal of share option investment	-	-	-	-	-	-
Investments at the end of the financial year	0.05	-*	0.01	0.01	133.86	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

Particulars	PCJ Gems & Jewellery Limited (Wholly owned Subsidiary)	PC Universal Private Limited (Wholly owned Subsidiary)	Luxury Products Trendsetter Private Limited (Wholly owned Subsidiary)	Transforming Retail Private Limited^	PC Jeweller Global DMCC (Wholly owned Subsidiary)	Shivani Sarees Private Limited
Loans and advances						
Loans at the beginning of the year	-	128.66	30.80	-	-	8.65
(including accrued interest)						
Additions during the year	-	-	-	-	-	-
Interest income during the year	-	5.66	0.94	-	-	0.60
Repayment/adjustment during the year	-	-	7.30	-	-	-
Interest paid during the year	-	-	-	-	-	0.67
TDS on Interest	-	-	-	-	-	-
Loans at the end of the year	-	134.32	24.45	-	-	8.58
(including accrued interest)						
Provision for impairment of loans (including accrued interest)	-	(134.32)	(0.94)	-	-	-
Maximum balance outstanding during the year	-	134.32	30.80	-	-	8.65
Rate of interest	NA	Refer note (ii)	Refer note (ii)	NA	NA	Refer note (iv)
Repayment terms	NA	Refer note (iii)	Refer note (iii)	NA	NA	Refer note (v)

Notes :

(i) The Company has given loans to above entities for business purposes. All the loans given are unsecured loans.

(ii) As per the agreement, the rate of interest for the loan is the prevailing 5 year government bond yield.

(iii) The loan is to be repaid within 7 years from the date of the receipt of each tranche of loan.

(iv) As per the agreement, the rate of interest for the loan is the prevailing 10 year government bond yield.

(v) The loan is to be repaid in 10 half yearly installments commencing from 1 April 2024.

* Net of impairment

^Ceased to be subsidiary during the year.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

As at 31 March 2022

(₹ in crore)

Particulars	PCJ Gems & Jewellery Limited (Wholly owned Subsidiary)	PC Universal Private Limited (Wholly owned Subsidiary)	Luxury Products Trendsetter Private Limited (Wholly owned Subsidiary)	Transforming Retail Private Limited	PC Jeweller Global DMCC (Wholly owned Subsidiary)	Shivani Sarees Private Limited
Investments						
Investments at the beginning of the year	0.05	-*	2.33	0.01	133.86	-
Additions during the financial year	-	-	-	-	-	-
Less: Reversal of share option investment	-	-	(2.32)	-	-	-
Investments at the end of the financial year	0.05	-*	0.01	0.01	133.86	-
Loans and advances						
Loans at the beginning of the year	-	126.29	53.98	-	-	9.47
(including accrued interest)						
Additions during the year	-	-	-	-	-	-
Interest income during the year	-	4.86	2.08	-	-	0.56
Repayment/adjustment during the year	-	2.00	25.05	-	-	-
Interest paid during the year	-	-	-	-	-	1.32
TDS on Interest	-	0.49	0.21	-	-	0.06
Loans at the end of the year	-	128.66	30.80	-	-	8.65
(including accrued interest)						
Provision for impairment of loans (including accrued interest)	-	(30.18)	-	-	-	-
Maximum balance outstanding during the year	-	128.66	53.98	-	-	9.47
Rate of interest	NA	Refer note (ii)	Refer note (ii)	NA	NA	Refer note (iv)
Repayment terms	NA	Refer note (iii)	Refer note (iii)	NA	NA	Refer note (v)

Note:

(i) The Company has given loans to above entities for business purposes. All the loans given are unsecured loans.

(ii) As per the agreement, the rate of interest for the loan is the prevailing 5 year government bond yield.

(iii) The loan is to be repaid within 7 years from the date of the receipt of each tranche of loan.

(iv) As per the agreement, the rate of interest for the loan is the prevailing 10 year government bond yield.

(v) The loan is to be repaid in 10 half yearly installments commencing from 1 April 2024.

* Net of impairment

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Note 39: Hedging activity and derivatives

(i) The Company enters into foreign currency forward contracts to hedge against the foreign currency risk relating to payment of foreign currency payables. The Company does not apply hedge accounting on such relationships. Further, the Company does not enter into any derivative transactions for speculative purposes.

Fair value hedge of gold price risk in inventory

The Company enters into contracts to purchase gold wherein the Company has the option to fix the purchase price based on market price of gold during a stipulated time period. The prices are linked to gold prices. Accordingly, these contracts are considered to have an embedded derivative that is required to be separated. Such feature is kept to hedge against exposure in the value of inventory of gold due to volatility in gold prices. The Company designates the embedded derivative in the payable for such purchases as the hedging instrument in fair value hedging of inventory. The Company designates only the spot-to-spot movement of the gold inventory as the hedged risk. The carrying value of inventory is accordingly adjusted for the effective portion of change in fair value of hedging instrument. There is no ineffectiveness in the relationships designated by the Company for hedge accounting.

Disclosure of effects of fair value hedge accounting on financial position:

Hedged item - Changes in fair value of inventory attributable to change in gold prices

Hedging instrument - Changes in fair value of the option to fix prices of gold purchases, as described above

Since there are no outstanding hedging instruments i.e. option to fix gold prices with respect to fair value hedge accounting as at 31 March 2022 & 31 March 2023, there is no impact of change in fair value of the hedged item i.e. inventory of gold.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness. There was no hedge ineffectiveness in any of the periods presented above.

Note 40: Financial instruments

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates;

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in crore)

	Level 1	Level 2	Level 3	Total
As at 31 March 2023				
Financial assets				
Investments at fair value through profit or loss				
Mutual funds	2.22	-	-	**2.22**
Derivative instruments				
Option to fix prices of gold in purchase contracts	-	-	-	**-**
Total financial assets	2.22	-	-	**2.22**
Financial liabilities				
Derivative instruments				
Forward contracts	-	-	-	**-**
Total financial liabilities	**-**	**-**	**-**	**-**
As at 31 March 2022				
Financial assets				
Investments at fair value through profit or loss				
Mutual funds	2.48	-	-	**2.48**
Derivative instruments				
Option to fix prices of gold in purchase contracts	-	-	-	**-**
Total financial assets	**2.48**	**-**	**-**	**2.48**
Financial liabilities				
Derivative instruments				
Forward contracts	-	-	-	-
Total financial liabilities	**-**	**-**	**-**	**-**

(ii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

(a) The use of quoted market prices for investments in mutual funds.

(b) Use of market available inputs such as gold prices and foreign exchange rates for option to fix prices of gold in purchase contracts and foreign currency forward contracts.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 41: FINANCIAL RISK MANAGEMENT

i) Financial instruments by category

(₹ in crore)

Particulars	31 March 2023		31 March 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments				
- mutual funds	2.22	-	2.48	-
Loans				
- to subsidiaries	-	23.50	-	129.29
- to body corporate	-	8.58	-	8.65
Trade receivables	-	1,479.23	-	1,346.58
Security deposits	-	30.98	-	28.26
Cash and cash equivalents	-	40.24	-	20.80
Other receivables	-	-	-	0.02
Unclaimed dividend account	-	0.07	-	0.09
Bank deposits	-	1.05	-	36.88
Total	**2.22**	**1,583.65**	**2.48**	**1,570.57**
Financial liabilities				
Borrowings	-	3,630.38	-	3,282.69
Trade payables	-	18.22	-	15.40
Lease liabilities	-	106.01	-	107.84
Other financial liabilities	-	51.90	-	38.29
Total	**-**	**3,806.51**	**-**	**3,444.22**

The carrying value of trade receivables, securities deposits, insurance claim receivable, loans given, cash and bank balances and other financial assets recorded at amortised cost, is considered to be a reasonable approximation of fair value.

The carrying value of borrowings, trade payables and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

ii) Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements:

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade Receivables, Corporate Advances (Loans to subsidiaries).	Ageing analysis and impairment testing.	The Company has old and existing relationship with its debtors and continues to remain confident of realizing the same in due course of time. The Company has therefore not classified any of its pending debt as bad or unrecoverable. However, at the same time, as a mark of adequate financial prudence, the Company has during the current financial year made provision in the form of ECL to the tune of ₹ 11.96 crore and the total provision till date has increased to ₹ 262.59 crores. The Company has extended loans to its two subsidiaries to provide them with working capital support. The quantum of loans (including accrued interest on loan) extended to Luxury Products Trendsetter Private limited has got reduced from ₹ 53.98 crores as on 31 March 2021 to ₹ 30.80 crores as on 31 March 2022 and further to ₹ 24.45 crores as on 31 March 2023. However, impairment to the tune of ₹ 134.32 crores has been considered towards the loan (including accrued interest on loan) extended to PC Universal Private Limited for the financial year ending 31 March 2023.
Liquidity risk	Operational expenditure, vendor payments, bank interest & other statutory liabilities	Cash flow forecasts	The Company is locked in a legal dispute with its Lenders and currently has a lot of restrictions on its normal banking transactions. It is therefore facing liquidity constraints in meeting its operational expenditure, vendor payments and other statutory liabilities. The Company is managing its liquidity by cost cutting and rationalising its expenses under all heads. It has already shut down 12 stores as a part of cost cutting and will be taking more such steps in due course.
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting sensitivity analysis	The Company is a net foreign exchange positive unit and hence does not foresee any forex risk on its financials.
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	The company is not paying any interest on its borrowings at present on account of on going litigation. It has also raised dispute on the matter of interest rates being charged by its Lenders in legal fora and is seeking a refund of the interest paid earlier. The matter is currently sub judice.
Market risk - security price	Investments in mutual funds	Sensitivity analysis	The Company's investments in mutual funds is non material vis a vis its balance sheet size.
Market risk - gold prices	Payables linked to gold prices	Sensitivity analysis	The Company deals in gold jewellery wherein its sales are also linked with gold prices and hence does not foresee any market risk linked with gold prices.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

The Company's board has approved a comprehensive Risk Management Policy as well as Forex & Commodity Risk Management Policy. Taken together these two policies cover nearly the entire gamut of the Company's operations.

A) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from outstanding trade receivables to whom the Company has either made direct sales or sent the goods on consignment.

However, the majority of Company's sales are in the domestic segment in which no credit is involved. The credit risk arises only from the export sales which are on a B2B basis and on a credit basis. Though the receivable realization used to be on time, for the past four years there have been overdues and currently the entire lot of outstanding export receivables are overdue.

The Company however, has old and existing relationship with its debtors and continues to remain confident of realizing the same in due course of time. The Company has therefore not classified any of its outstanding debt as bad or unrecoverable. However, at the same time, as a mark of adequate financial prudence, the Company has during the current financial year made provision in the form of ECL to the tune of ₹ 11.96 crore, with the total amount of ECL at ₹ 262.59 crore as on 31 March 2023.

The Company has extended loans to two of its wholly owned subsidiaries PC Universal Private Limited and Luxury Products Trendsetter Private Limited to provide them with working capital support details of which have been disclosed in Note-38. The quantum of loans (including accrued interest on loan) extended to Luxury Products Trendsetter Private Limited has got reduced from ₹ 53.98 crores as on 31 March 2021 to ₹ 30.80 crores as on 31 March 2022 and further to ₹ 24.45 crores as on 31 March 2023.

Owing to the current operations and net worth of these subsidiaries, the management has carried out the impairment assessment as at 31 March 2023 using the 'Discounted Cash Flow valuation model' on the total exposure in its subsidiaries. The Company as at 31 March 2022 had provision for impairment in investment of ₹ 0.05 crore and provision for doubtful receivables of ₹ 30.17 crore in respect of PC Universal Private Limited. Basis the assessment this year the Company has recognised an additional provision for impairment of ₹ 104.15 crore in respect of PC Universal Private Limited.

Details of trade receivables that are past due is given below:

(₹ in crore)

	As at 31 March 2023	**As at 31 March 2022**
Not due	32.09	20.92
0-30 days past due	0.29	191.27
31-60 days past due	0.00*	12.72
61-90 days past due	0.32	0.06
More than 90 days past due	1,709.12	1,372.24
Expected credit loss (loss allowance provision)	(262.59)	(250.63)
	1,479.23	**1,346.58**

* Rounded off to nil

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Loss allowance provisions arising on account of expected credit losses/ impairment of financial assets (other than trade receivables) are given below:

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Loan to subsidiaries	158.77	159.46
Expected credit loss (loss allowance provision)	(135.26)	(30.18)
	23.51	**129.28**

Reconciliation of loss allowance provision from beginning to end of reporting period:

(₹ in crore)

	Trade receivables	Other financial assets
Loss allowance on 1 April 2021	62.56	25.31
Loss allowance created during the year	188.07	4.87
Loss allowance as on 31 March 2022	**250.63**	**30.18**
Loss allowance on 1 April 2022	250.63	30.18
Loss allowance created during the year	11.96	105.08
Loss allowance as on 31 March 2023	**262.59**	**135.26**

Concentration of financial assets

Concentration of credit risk with respect to trade receivables are limited, due to the Company's consumer base being large and diverse.

The Company's exposure to credit risk for trade receivables is presented below:

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Concentration of trade receivables*		
Export wholesale customers	1,444.68	1,323.53
Domestic wholesale customers	7.86	9.22
Franchise stores	26.20	13.10
Others	0.49	0.73
	1,479.23	**1,346.58**

*Net of expected credit loss amounting to ₹ 262.59 crore (31 March 2022 : ₹ 250.63 crore)

B) Liquidity risk

The liquidity risk management involves adjusting the operational expenditure, vendor payments, bank interest & other statutory liabilities etc with the incoming cash flows. The Company is however, currently facing a lot of liquidity constraints on account of restrictions on its banking transactions leading to delays in business related payments as well as statutory liabilities.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Contractual maturities of financial liabilities

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

(₹ in crore)

31 March 2023	Payable on demand	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives						
Borrowings (including interest)	3,630.38	-	-	-	-	3,630.38
Trade payables	-	18.22	-	-	-	18.22
Other financial liabilities	0.07	51.84	-	-	-	51.91
Lease liabilites (including interest)	-	30.58	25.92	22.94	53.84	133.28
Total	**3,630.45**	**100.64**	**25.92**	**22.94**	**53.84**	**3,833.79**

(₹ in crore)

31 March 2022	Payable on demand	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives						
Borrowings (including interest)	3,282.69	-	-	-	-	3,282.69
Trade payables	-	15.40	-	-	-	15.40
Other financial liabilities	0.09	38.19	-	-	-	38.28
Lease liabilites (including interest)	-	33.31	28.67	24.30	62.49	148.77
Total	**3,282.78**	**86.90**	**28.67**	**24.30**	**62.49**	**3,485.14**

C) Market risk - foreign exchange

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. However, the Company is a net foreign exchange positive unit and hence does not foresee any forex risk on its financials

Sensitivity

The sensitivity to profit or loss from changes in the exchange rates arises mainly from financial instruments denominated in USD. In case of a reasonably possible change in INR/USD exchange rates of +/- 4 % (previous year +/-4%) at the reporting date, keeping all other variables constant, there would have been corresponding impact on losses/profits of ₹ 50.76 crore (previous year ₹ 52.22 crore).

D) Market risk - interest rate

i) Liabilities

Currently the Company is under legal dispute with its Lenders and the issue of quantum of interest payable, if any, and at what rate is subject to future judicial judgement.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

(₹ in crore)

Particulars	31 March 2023	31 March 2022
Variable rate borrowing	3,626.09	3,278.40
Fixed rate borrowing	4.29	4.29
Total borrowings	**3,630.38**	**3,282.69**

Sensitivity

The sensitivity to profit or loss in case of a reasonably possible change in interest rates of +/- 50 basis points (previous year: +/- 50 basis points), keeping all other variables constant, would have resulted in corresponding impact on losses/profits by ₹ 13.57 crore (previous year ₹ 12.27 crore). However, the Company is under legal dispute with its Lenders and the issue of quantum of interest payable, if any, and at what rate is subject to future judicial judgement.

ii) Assets

The Company's financial assets are carried at amortised cost and are at fixed rate only. They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

E) Market risk - security price

Exposure from investments in mutual funds:

The Company's exposure to price risk arises from investments in mutual funds held by the Company and classified in the balance sheet as current investments. However, the Company's investments in mutual funds is non material vis a vis its balance sheet size.

Sensitivity:

The sensitivity to profit or loss in case of an increase in price of the instrument by 5% keeping all other variables constant would have resulted in corresponding impact on (losses)/profits by ₹ 0.08 crore (previous year ₹ 0.09 crore).

F) Market risk - gold prices:

The Company's exposure to price risk also arises from trade payables of the Company that are at unfixed prices, and, therefore, payment is sensitive to changes in gold prices. However, the Company does not have any unfixed trade payables as on 31 March 2023. Hence, there is no market risk linked to gold prices.

Note 42: Capital management

The Company' s capital management objectives are:

- to ensure the Company's ability to continue as a going concern

- to provide an adequate return to shareholders

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

(₹ in crore)

(a)	Particulars	31 March 2023	31 March 2022
	Current borrowings (refer note 19)*	3,630.38	3,282.69
	Less: Cash and cash equivalents (refer note 13)	(40.24)	(20.80)
	Net debts	**3,590.14**	**3,261.89**
	Equity share capital (refer note 15)	465.40	465.40
	Other equity (refer note 16)	3,079.65	3,418.39
	Total capital	**3,545.05**	**3,883.79**
	Gearing ratio	**101.27%**	**83.99%**

*'This total exposure includes provision for interest upto 31st March 2023, and the Company has disputed the above amounts in various legal fora including DRT/DRAT and various courts as referred in Note-19 and Note-50.

NOTE 43: MICRO, SMALL AND MEDIUM ENTERPRISES

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 as at the balance sheet date is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ in crore)

	Particulars	31 March 2023	31 March 2022
(a)	Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:		
	Principal amount due to micro and small enterprises	1.85	0.16
	Interest due on above	0.13	0.29
(b)	The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.13	0.29
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	0.13	0.29

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 44: CONTINGENT LIABILITY

(₹ in crore)

		31 March 2023	31 March 2022
a)	Claims against the Company not acknowledged as debts*#	0.54	1.01
b)	Demand from the income-tax authorities*	0.19	0.19
c)	Demands from the Custom authorities against which appeals have been filed (amounts paid under protest ₹ 2.43 crore)	5.12	2.43
d)	Demands from the sales tax authorities against which appeals have been filed*	8.24	8.24

**Excluding interest, if any, which is not ascertainable*

#Company has furnished bank guarantees amounting to ₹ 0.46 crore for ongoing litigations

NOTE 45: LEASES

The Company's lease asset primarily consist of leases for buildings for factory, showrooms and offices having various lease terms.

i) Lease liabilities are presented in the balance sheet as follows:

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Current	29.70	30.09
Non-current	76.31	77.75
Total	**106.01**	**107.84**

The lease liabilities are secured by the related underlying assets. The maturity analysis of lease liabilities are disclosed in note 41(ii)(B).

The Company has leases for the factory, offices and showrooms. With the exception of short-term leases and leases with variable lease payments, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security against the Company's other debts and liabilities. For leases over office buildings and factory premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts. The Company has considered automatic extension option available for the property leases in lease period assessment since the Company can enforce its right to extend the lease beyond the initial lease period as the Company is likely to be benefited by exercising the extension option.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

ii) The recognised right-of-use assets relate to retail outlets and other marketing offices as at 31 March 2023.

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Right-of-use assets- retail outlets and other marketing offices		
Balance as at 1 April 2022	**80.59**	**92.91**
Add: Additions on account of new leases entered during the year	22.22	11.09
Less: Termination/ modifications	0.42	3.82
Less: Amortisation expense charged on the right-of-use assets	20.40	19.59
Balance as at 31 March 2023	**81.99**	**80.59**

iii) The following are amounts recognised in statement of profit and loss:

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Amortisation expense of right-of-use assets	20.40	19.59
Interest expense on lease liabilities	12.96	13.43
Rent expense	5.25	4.49
Total	**38.61**	**37.51**

iv) Lease payments not recognised as a liability

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Expenses relating to short term leases (included in other expenses)	2.81	2.40
Expenses relating to variable lease payments not included in lease payments	0.05	0.18
Total	**2.86**	**2.58**

v) At 31 March 2023, the Company was committed to short-term leases and the total commitment at that date was ₹ 0.05 crore.

vi) Total cash outflow for leases for the year ended 31 March 2023 was ₹ 27.24 crore.

vii) The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use asset	No of right-of-use assets leased	Range of remaining term (in years)	Average remaining lease term (in years)
Retail outlets and offices	64	1-9	3.35

The company has a right to extend/terminate its leasing arrangements beyond the initial agreement/lock in period. For the assessment of lease term as per Ind AS 116, the management of the Company has considered the extension options and not considered the early termination options wherever available for its property leases in its lease period assessment since the Company is likely to be benefited from a longer lease tenure.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

viii) During the year ended 31 March 2023, the Company has renegotiated with certain landlords on rent reduction/waiver due to Covid-19 pandemic. The management believes that such reduction/waiver in rent is short term in nature and meets the conditions in accordance with the notification dated July 24, 2020 issued by the Central Government in consultation with National Financial Reporting Authority as per Companies (Indian Accounting Standards) Amendment Rules, 2020 effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification. Accordingly, the company has recognized ₹ 2.53 crores in the Statement of Profit and Loss as "Other income" during the year ended 31 March 2023.

NOTE 46: CORPORATE SOCIAL RESPONSIBILITY

(₹ in crore)

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	Amount required to be spent by the Company during the year	-	0.94
(ii)	Amount of expenditure incurred	-	-
(iii)	Shortfall at the end of the year	-	0.94
(iv)	Total of previous years shortfall	7.31	6.37
(v)	Reasons for shortfall	Refer note below	Refer note below
(vi)	Nature of CSR activities	-	-
(vii)	Details of related party transactions e.g. Contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant accounting standards	-	-
(viii)	Where a provision is made with respect to a liabilty incurred by entering into a contractual obligation, the movement in the provision	-	-

Note: The Company was not required to spend any amount towards CSR activities for FY 2022-23. The shortfall in CSR expenditure relates to FY 2021-22 and FY 2020-21 caused by strained liquidity position of the company after March 2020 on account of lockdowns and disruptions in business due to COVID-19 pandemic as well as the Company's accounts turning non-performing asset since June 2021 with its bankers resulting into highly restricted banking transactions. The liquidity position of the Company further deteriorated during the year as some of the banks have issued recall notices to the Company and State Bank of India ("SBI") moved to Debt Recovery Tribunal. In response to SBI application, the Company filed an appeal with Debt Recovery Appellate Tribunal and the matter is currently sub-judice. However, the Company has made provision for CSR expense for both the years in its accounts and is committed to meeting the necessary compliances as per the law post resolution of the above said issues.

NOTE 47: RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES PURSUANT TO IND AS -7 CASH FLOWS

The changes of the Company's liabilities arising from financing activities can be classified as follows:

(₹ in crore)

Particulars	Long term borrowings	Short term borrowings	Equity share capital	Lease liabilities	Total
Net debt as at 01 April 2021	**0.42**	**2,293.82**	**465.40**	**119.97**	**2,879.61**
New leases	-	-	-	10.64	**10.64**
Termination/modification of leases	-	-	-	(7.67)	**(7.67)**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

Particulars	Long term borrowings	Short term borrowings	Equity share capital	Lease liabilities	Total
Repayment of non-current borrowings (net)	(0.42)	-	-	-	**(0.42)**
Payment of lease liabilities	-	-	-	(28.53)	**(28.53)**
Payment of interest on lease liabilities	-	-	-	13.43	**13.43**
Proceeds of short term borrowings (net)	-	1,140.09	-	-	**1,140.09**
Loan/interest paid	-	(151.22)	-	-	**(151.22)**
Net debt as at 31 March 2022	**-**	**3,282.69**	**465.40**	**107.84**	**3,855.93**
New leases	-	-	-	24.68	**24.68**
Termination/modification of leases	-	-	-	(5.70)	**(5.70)**
Repayment of non-current borrowings (net)	-	-	-	-	**-**
Payment of lease liabilities	-	-	-	(33.77)	**(33.77)**
Payment of interest on lease liabilities	-	-	-	12.96	**12.96**
Proceeds of short term borrowings (net)	-	462.37	-	-	**462.37**
Loan/interest paid	-	(114.68)	-	-	**(114.68)**
Net debt as at 31 March 2023	**-**	**3,630.38**	**465.40**	**106.01**	**4,201.79**

NOTE 48: SEGMENT INFORMATION

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

NOTE 49: IND AS 115 - REVENUE FROM CONTRACTS WITH CUSTOMERS

Ind AS 115: Revenue from Contracts with Customers, establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

(i) Identify the contract(s) with customer;

(ii) Identify separate performance obligations in the contract;

(iii) Determine the transaction price;

(iv) Allocate the transaction price to the performance obligations; and

(v) Recognise revenue when a performance obligation is satisfied.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(a) Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography.

(₹ in crore)

Revenue from operations	Year ended 31 March 2023	Year ended 31 March 2022
Revenue by geography		
Export	-	195.83
Domestic	2,359.46	1,378.22
Total	**2,359.46**	**1,574.05**

(b) Assets and liabilities related to contracts with customers

(₹ in crore)

Description	Year ended 31 March 2023	Year ended 31 March 2022
	Current	**Current**
Contract liabilities related to sale of goods		
Advance from customers	22.71	56.82

(c) Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price

(₹ in crore)

Description	Year ended 31 March 2023	Year ended 31 March 2022
Contract price	2,362.26	1,577.81
Less: Discount, rebates, credits etc.	2.80	3.76
Revenue from operations as per Statement of Profit and Loss	**2,359.46**	**1,574.05**

NOTE 50: EXISTENCE OF UNCERTAINTY CASTING SIGNIFICANT DOUBT ON THE COMPANY'S ABILITY TO CONTINUE AS A GOING CONCERN

Company's accounts have been classified as NPA with its lenders since June 2021 and its resolution process had been underway. As a part of the laid down process, after the resolution plan submitted by the Company was found to be feasible on both technical & economic parameters and the same was forwarded to two rating agencies for necessary ICE exercise. In this regard, one of the rating agency did not accord the required minimum RP4 rating to the Plan and therefore, the resolution plan of the Company could not be taken forward. Though the Company presented an improved Resolution Plan to the Consortium , the Lead Bank (State Bank of India) moved to the DRT Delhi on 18 January 2023 against the Company seeking full recovery of its outstanding exposure. In response, the Company has gone into appeal against the same in DRAT. Meanwhile some of the other Consortium member banks have also filed their recovery suit in the DRT against the Company. This matter is currently sub-judice with arguments and counter arguments continuing from both sides. This rejection of resolution plan in relation to company's borrowing exposure, Order of DRT for initiation of full recovery proceedings on application of lead bank SBI and issuance of recall notices by the lenders as well as initiation of legal action by some more lenders, may affect the goodwill and brand image of the Company and these events indicates that a material uncertainity exist that may cast significant doubt on the ability of the Company to continue as going concern.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

The Company , in addition to replying suitably to the Banks, has also approached the High Court of Delhi against the SBI stating that there is a non compliance of the Principle of Natural Justice in as much as the petitioners (PCJ) were not given any opportunity to explain its case after 02 January 2023 and unilateral decision has been taken by the respondent (SBI). HC has accepted the Company's prayer and issued a notice to the respondent, which has been accepted by the learned counsel of the respondent. Company has also filed a counter claim against the SBI in DRT seeking damages on account of loss in revenue, decline in market cap, loss of reputation, status and goodwill on account of unilateral action taken by it against the company. This appeal has also been accepted by the hon'able court. 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 and is taking appropriate steps to ensure that its status as a going concern remains intact in spite of the current adversities.The Management is confident that it will be able to realize its assets and meet its liabilities and commitments in the normal course of business considering the net assets position of the Company irrespective of the final conclusion of decision in the ongoing legal process. Hence the current position of the events does not raise any concern on its going concern status. In view of the above the management is confident that the Company will continue as a going concern and accordingly, the accompanying statement has been prepared considering Going concern assumption.

NOTE 51: DISCOUNT TO EXPORT CUSTOMERS

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 Master Circular on Exports of Goods and Services - Master Circular No.14/2015-16 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 Rs. 183.16 crore 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.

NOTE 52: DELAY IN RECEIPT OF FOREIGN CURRENCY AGAINST EXPORT

Trade receivables as at 31 March 2023, inter alia, include outstanding from export customers aggregating to ₹ 1,707.27 crore, without considering provision for expected credit loss. These have been outstanding for more than 9 months and have been restated as per the RBI exchange rate as on 31 March 2023. The original amount of exports booked stands at ₹1,467.53 crore. The Company has filed necessary applications with the requisite authority as per the regulations of the Foreign Exchange Management Act, 1999 for condonation of delays in repatriation of funds by its customers. The management is of the view that the possible penalties that may be levied, are currently unascertainable but would not be material and accordingly, no consequential adjustments have been made in the books of accounts with respect to such default. The management has made expected credit loss (ECL) provision of ₹ 11.96 crore in addition to existing provisions in respect of these overdue receivables in compliance with Ind AS 109 'Financial Instruments'.

NOTE 53: RECOVERABILITY OF INVESTMENTS, LOANS AND SHORT-TERM FINANCIAL ASSETS, GIVEN TO/DUE FROM SUBSIDIARY COMPANIES

The Company has investments of ₹ 133.97 crore (previous year ₹ 133.98 crore) (excluding impairment) in its wholly-owned subsidiary companies viz PC Universal Private Limited, Luxury Products Trendsetter Private Limited, PC Jeweller Global DMCC and PCJ Gems & Jewellery Limited as at 31 March 2023. Transforming Retail Private Limited ceased to be subsidiary during the year. The Company has also given non current loans amounting to ₹ 88.70 crore (previous year ₹ 96.00 crore) (excluding impairment) to two of its subsidiaries, PC Universal Private Limited and Luxury Products Trendsetter Private Limited and has interest receivable from them amounting to ₹ 70.07 crore (previous year ₹ 63.47 crore)(excluding impairment) which is classified under current financial assets.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Owing to the current operations and net worth of these subsidiaries, the management has carried out the impairment assessment as at 31 March 2023 using the 'Discounted Cash Flow valuation model' on the total exposure in its subsidiaries. The Company as at 31 March 2022 had provision for impairment in investment of ₹ 0.05 crore and provision for doubtful receivables of ₹ 30.17 crore in respect of PC Universal Private Limited. Basis the assessment this year the Company has recognised an additional provision for impairment of ₹ 104.15 crore in respect of PC Universal Private Limited.

NOTE 54: ADDITIONAL REGULATORY INFORMATION

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

a) Ratios

The following are analytical ratios for the year ended as on 31 March 2023 and 31 March 2022

S.no.	Particulars	Numerator	Denominator	31 March 2023	31 March 2022	Variance %
i)	Current Ratio	Current Assets	Current Liability	1.56	1.67	(6.59)
ii)	Debt-Equity Ratio	Total Debt	Sharehoder'equity	1.02	0.85	20.00
iii)	Debt-Service Coverage Ratio	Earning available for debt Service	Debt Service	1.20	0.41	192.68$
iv)	Return on equity (ROE) Ratio	Net Profits after Tax	Average Shareholder Equity	(0.09)	(0.10)	10.00
v)	Inventory Turnover Ratio	Sales	Average inventory	0.42	0.28	50.00#
vi)	Trade Receivable Turnover Ratio	Sales	Average Account Receivable	1.67	1.19	40.34#
vii)	Trade Payable Turnover Ratio	Total Purchase	Average Trade payable	124.71	2.35	5,206.81*
viii)	Net Capital Turnover Ratio	Net Sales	Working Capital	1.08	0.66	63.64#
ix)	Net Profit Ratio	Net Profit X 100	Net Sales	(14.37)	(24.75)	41.94#
x)	Return on Capital Employed	Earning before interest and taxes X 100	Capital employed	3.45	(0.99)	448.48^
xi)	Return on investment :					
a)	Quoted	Income generated from investment	Time weighted average investment	0.03	0.20	(85.00)**
b)	Unquoted	Income generated from investment	Time weighted average investment	0.06	0.05	20.00

$Earning available for Debt Service has increased by 141% due to increase in the company's EBID vis a vis the debt service has also reduced,which has contributed to an increase in this ratio. The debt service amount includes only the finance cost paid and not the total finance cost.

#This increase is due to increase in turnover as compared to previous year.

*There is an increase in purchases from customers by 90 % as compared to previous year and there is a sharp decline in average creditors as there were no credit purchase during the year.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

^There is an increase in EBIT by 450% as compared to last year, mainly because total income increased by 53%, as turnover of the company increased in this year.

**Due to market factors.

b) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

c) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

d) The Company has submitted Stock and debtors statement to the banks except for the months of December-2022 to March-2023. The quarterly statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company except the variances listed below:

Particulars	Amount as per statements submitted to bankers (₹ in crore)	Amount as per books of accounts (₹ in crore)	Differences in Amount (₹ in crore)	Differences in %
Inventory				
Qtr. ended June 2022	5,584.71	5,583.76	0.95	0.02
Qtr. ended Sept 2022	5,717.71	5,715.71	2.00	0.03
Qtr. ended Dec 2022	*	5,724.51	Not Applicable	Not Applicable
Qtr. ended Mar 2023	*	5,621.81	Not Applicable	Not Applicable
Sundry Receivables				
Qtr. ended June 2022	1,495.29	1,417.10	78.19	5.23#
Qtr. ended Sept 2022	1,501.72	1,477.72	24.00	1.60#
Qtr. ended Dec 2022	*	1,503.99	Not Applicable	Not Applicable
Qtr. ended Mar 2023	*	1,479.23	Not Applicable	Not Applicable

* Not Submitted to Bankers

Mainly on account of Foreign exchange restatements and ECL provisions.

e) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

f) The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013

Name of struck off company	Nature of transactions with struck off Company	Amount of transaction (₹ in crore)	Balance outstanding (₹ in crore)	Relationship with the Struck off Company
Kothari Intergroup Ltd.	Shares held by struck off company	-	-	Share holder*

* 10 shares were held by struck off company as on 31 March 2023

g) The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period. There were no delays in complaince related to creation/modification/satisfaction of charges beyond the statutory period.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

h) The Company has compiled with the number of layers prescribed under section 2(87) of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

j) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

k) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

l) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

m) The Company has the following balances against the loans granted or advances in the nature of loans wherein there is no specific schedule of repayment of principal or payment of interest:

Type of Borrower	Amount (₹ in crore) of loan or advance in the nature of loan outstanding		Percentage to the total Loans and Advance in the nature of loans	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Directors	-	0.50	0.00%	0.30%
KMPs	-	0.63	0.00%	0.37%
Related Party (Subsidiaries)	158.77	159.47	94.88%	94.23%

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

For and on behalf of the Board of Directors

For Arun K Agarwal & Associates
Chartered Accountants
Firm's Registration No.: 003917N

Sd/-
Ramesh Kumar Sharma
Executive Director
DIN-01980542

Sd/-
Balram Garg
Managing Director
DIN-00032083

Sd/-
Arun Kumar Agarwal
Partner
Membership No. 082899

Sd/-
Vijay Panwar
Company Secretary
Membership No. A19063

Sd/-
Sanjeev Bhatia
Chief Financial Officer

Place: New Delhi
Date: 30 May 2023

Statement on Impact of Audit Qualifications

(for audit report with modified opinion) submitted along with Annual Audited Financial Results (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(₹ 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	2359.46/2507.31	2359.46/2507.31
	2.	Total Expenditure	2752.14	2752.14
	3.	Net Profit/(Loss)	(339.11)	(339.11)
	4.	Earnings Per Share	(7.29)	(7.29)
	5.	Total Assets	7490.10	7490.10
	6.	Total Liabilities	3945.04	3945.04
	7.	Net Worth	3545.06	3545.06
	8.	Any other financial item(s) (as felt appropriate by the management)	No	No
II	**Audit Qualification (each audit qualification separately):**			

a. **Details of Audit Qualification:**

(i) As explained in Note 5 to the accompanying Statement, the company during the financial year ended 31 March 2019 had provided discounts of Rs. 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 prerequisite, 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 Rs. 330.49 crore. For the remaining discounts of Rs. 183.16 crore, in the absence of requisite approvals and material evidence related to such transactions, we are unable to comment on the impact, if any, of the same on the accompanying Statement. Auditor's Opinion for the year ended 31 March 2019, 31 March 2020, 31 March 2021 and 31 March 2022 and our conclusion for the quarter ended 30 June 2022, 30 September 2022 and 31 December 2022 were also modified in respect of this matter.

(ii) With respect to provision for the expected credit loss/impairment relating to overdue overseas Trade Receivables as required under Ind-AS 109, the management has calculated an additional provision of Rs. 11.96 crores during the year in respect of these overdue receivables. However, no realization has been made during the year against overdue trade receivables towards export of goods aggregating to Rs. 1707.27 crores (including unrealized foreign currency exchange gain of Rs. 239.74 crores) as on 31 March 2023 out of which Rs. 1355.56 crores (including unrealized foreign currency exchange gain of Rs. 197.04 crores) is outstanding from more than 3 years. Also no export transactions have been done with these overseas debtors during the year. Further, as informed to us, legal notices have been served to the overseas debtors and the company is in process of finalizing legal counsel for initiating legal proceedings. Upto 31 March 2023, the company has made an ECL provision of only Rs. 262.59 crore based on revised payment schedule as provided by the overseas debtors. Despite of no realization as per the scheduled expected dates from the export receivables and considering the initiation of legal route for recovery during the year, we are unable to examine adequacy of the provision for expected credit losses and its consequential impact and adjustments on the accompanying Statement.

	(iii) As explained in Note 8 to the accompanying statement, due to rejection of the resolution plan by the Lenders, the Lead Bank has initiated the recovery proceedings through Debt Recovery Tribunal (DRT) and obtained an order to seize, take control and prepare an inventory of entire stocks of hypothecated assets to the lenders. In response, the company has moved to the Debts Recovery Appellate Tribunal (DRAT) against the order of the DRT, and the matter is sub-judice. Meanwhile some of the other consortium members have also filed their recovery suit in DRT against the company. According to the Order of DRT and DRAT, the appointed agencies along with valuers have started necessary implementation of the Order including inventorization and valuation of inventory at some locations of the company. Since, those locations were carrying major inventory and were under process of inventorization and valuation as per the order of DRT/DRAT as on 31 March 2023, the physical verification/inspection/valuation of the inventory could not be conducted by the management at these locations. This, being a significant event, may have an adverse impact the Goodwill and the Brand image of the company which may affect the Net Realisable Value of the Inventory. Further, significant quantum of inventory was lying with Third Parties (Karigars/Job-Workers) which could not be physically verified/inspected by independent agency/lenders. Such inventory lying with third parties is not adequately insured. Further, no valuation reports by the independent Gemologist/ valuer were made available to us for the inventory as shown in accompanying statement. In view of the above, we are unable to examine and express an opinion on inventory value and its consequential impact and adjustments on the accompanying Statement.	
	b. **Type of Audit Qualification :** Qualified Opinion	
	c. **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.	
	d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Not Applicable	
	e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**	
	(i) **Management's estimation on the impact of audit qualification:** Not Applicable	
	(ii) **If management is unable to estimate the impact, reasons for the same:** (i) 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 does not expect any material penalty to be levied and therefore, no provision for the same has been recognized in these financial results. (ii) 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 hence is convinced about the accuracy calculated ECL amount. (iii) The DRAT has already stayed the DRT's ex parte order of seizing the inventory and the matter is sub-judice. The company has also filed counter claims against the SBI. Given the nature of company's inventory it does not envisage any adverse impact on the Net realizable Value of its Inventory. The company further does not envisage any losses on account of a portion of its inventory lying with karigars.	
	(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.	
III	**Signatories:**	
	• **CEO/Managing Director**	Sd/-
	• **CFO**	Sd/-
	• **Audit Committee Chairman**	Sd/-
	• **Statutory Auditor**	Sd/-

Place: New Delhi

Date: 30 May 2023

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PC JEWELLER LIMITED

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

1. We have audited the accompanying consolidated financial statements of PC Jeweller Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), as listed in "Annexure A", which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements and on the other financial information of the subsidiaries, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ("Ind AS") specified under section 133 of the Act, of the consolidated state of affairs of the Group as at 31 March 2023 and their consolidated loss (including other comprehensive income), the consolidated cash flows and the consolidated changes in equity for the year ended on that date.

3. Basis for Qualified Opinion

(i) As explained in Note 51 to the accompanying consolidated financial statements, the holding company during the financial 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 prerequisite, 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. For the remaining discounts of ₹ 183.16 crore, in the absence of requisite approvals and material evidence related to such transactions, we are unable to comment on the impact, if any, of the same on the accompanying consolidated financial statements. Auditor's Opinion for the year ended 31 March 2019, 31 March 2020, 31 March 2021 and 31 March 2022 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, the management of the holding company has calculated an additional provision of ₹ 11.96 crores during the year in respect of these overdue receivables. However, no realization has been made during the year against overdue trade receivables towards export of goods aggregating to ₹ 1707.27 crores (including unrealized foreign currency exchange gain of ₹239.74 crores) as on 31 March 2023 out of which ₹ 1355.56 crores (including unrealized foreign currency exchange gain of ₹197.04 crores) is outstanding from more than 3 years. Also no export transactions have been done by the holding company with these overseas debtors during the year. Further, as informed to us, legal notices have been served to the overseas debtors and the holding company is in process of finalizing legal counsel for initiating legal proceedings. Upto 31 March 2023, the holding company has made an ECL provision of only ₹ 262.59 crore based on revised payment schedule as provided by the overseas debtors.

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

(iii) As explained in Note 50 to the accompanying consolidated financial statements, due to rejection of the resolution plan by the Lenders of holding company, the Lead Bank has initiated the recovery proceedings through Debt Recovery Tribunal (DRT) and obtained an order to seize, take control and prepare an inventory of entire stocks of hypothecated assets to the lenders. In response, the holding company has moved to the Debts Recovery Appellate Tribunal (DRAT) against the order of the DRT, and the matter is sub-judice. Meanwhile some of the other consortium members have also filed their recovery suit in DRT against the holding company.

According to the Order of DRT and DRAT, the appointed agencies along with valuers have started necessary implementation of the Order including inventorization and valuation of inventory at some locations of the holding company. Since, those locations were carrying major inventory and were under process of inventorization and valuation as per the order of DRT/DRAT as on 31 March 2023, the physical verification/inspection/valuation of the inventory could not be conducted by the management at these locations. This, being a significant event, may have an adverse impact on the Goodwill and the Brand image of the holding company which may affect the Net Realisable Value of the Inventory. Further, significant quantum of inventory was lying with Third Parties (Karigars/Job-Workers) which could not be physically verified/inspected by independent agency/lenders. Such inventory lying with third parties is not adequately insured.

Further, no valuation reports by the independent Gemologist/valuer were made available to us for the inventory as shown in accompanying consolidated financial statements.

In view of the above, we are unable to examine and express an opinion on inventory value and its consequential impact and adjustments on the accompanying consolidated financial statements.

4. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 17 of the Other Matter section below, is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty related to Going Concern

5. Rejection of proposed resolution plan in relation to holding company's borrowing exposure, Order of DRT for initiation of full recovery proceedings on application of lead bank (SBI) and issuance of recall notices by the lenders, as explained in Note 50 to the accompanying consolidated financial statements, indicates that a material uncertainty exists that may cast significant doubt on the ability of the holding company and thus the group to continue as a going concern.

   Our opinion is not modified in respect of this matter.

Emphasis of Matters

6. We draw attention to:

   a. Note 52(a) to the accompanying consolidated financial statements 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 ₹ 1707.27 crores as on 31 March 2023, beyond the timelines stipulated under the Foreign Exchange Management Act, 1999. The management of the holding company has filed the necessary applications with the appropriate authority for condonation of such delays to regularize the default. Pending condonation of such delay by the appropriate authority, management 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 consolidated financial statements with respect to such delay/default.

   b. Note 52(b) to the accompanying consolidated financial statements and the following Emphasis of Matter paragraph given by another firm of chartered accountants vide their report dated 29 May 2023 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 proceeds denominated in foreign currency against export made by the company to its overseas customers aggregating to ₹ 107.83 crores as on 31 March 2023 beyond the timelines stipulated under the Foreign Exchange Management Act 1999. The company had filed necessary applications with the requisite authority as per the regulations of the Foreign Exchange Management Act 1999 for condonation of delays in repatriation of funds by its customers. The management is of the view that the possible penalties that may be levied, are currently unascertainable but would not be material and accordingly no consequential adjustments have been made in the books of accounts with respect to such default.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

7. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

   Except for the matters described in the Basis for Qualified Opinion section and material uncertainty related to the going concern section, we have determined that there are no other key audit matters to be communicated in our report.

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

8. The Holding Company's Management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon. The annual report is to be made available to us after the date of the auditor's report.

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of audit, or otherwise appears to be materially misstated.

   When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

9. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group, covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

10. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

11. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Consolidated financial statements in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

14. 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.

15. 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.

16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be

expected to outweigh the public interest benefits of such communication.

Other Matter

17. The consolidated annual financial statements include the audited financial statements of its subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 304.66 crore as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ 208.35 crore, total net profit after tax (before consolidation) of ₹ 25.43 crore, total comprehensive income of ₹ 29.60 crore and net cash outflows (before consolidation adjustments) amounting to ₹ 0.14 crore for the year ended on that date, 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 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 us as stated in paragraph above.

    The subsidiary located outside India whose financial statements has been prepared in accordance with accounting principles generally accepted in their respective country and which is required to be audited by respective auditors under generally accepted auditing standards applicable in their respective country. The holding company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. Such conversion adjustments have been audited by other auditors. The independent auditor's reports on such converted financial statements of such entity have been furnished to us by the management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the reports of other auditors.

18. Advance recoverable from Staff amounting to ₹ 2.12 crore (including ₹ 1.13 crore pertaining to Key Managerial Personnel of holding company) has been written off during the year after taking approvals from the board of directors as well as Audit Committee.

19. As mentioned in the order of the DRAT, a special audit has been ordered by bankers of holding company to audit the exchange sales transactions without payment of cash/ transfer of money, and to submit weekly details of Exchange Sales to Agency for Specialized Monitoring (ASM) appointed by lenders for his verification. As per the information furnished to us, including the reports of ASM, the holding company has recorded exchange sales of ₹ 1795.70 crore approx. (including GST) out of total sales of ₹ 2424.32 crore (including GST) for the year ended 31 March 2023.

    Our opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

20. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 17, on separate financial statements of the subsidiaries, we report that the Holding Company has paid remuneration to its directors during the year in accordance with the provisions of and limit prescribed under Schedule V of the Act. Further, we report that subsidiary companies, covered under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies.

21. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:

    (a) we have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the possible effects of the matters described in paragraph 3 of the Basis for Qualified Opinion section with respect to the financial statements of the Holding Company;

    (c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements;

    (d) except for the possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;

    (e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act;

(f) the qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 3 of the Basis for Qualified Opinion section with respect to the Holding Company;

(g) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and

(h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as at 31 March 2023- Refer Note 45 of the Consolidated Financial Statements;

ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies covered under the Act, during the year ended 31 March 2023.

iv. (a) The respective Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall,

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries")

- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries")

- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. No dividend has been declared or paid during the year by the Group.

vi. Since applicability of maintenance of audit trail in accounting software has been deferred to 1 April 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

22. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by the respective auditors of companies included in the consolidated financial statements, to which reporting under CARO is applicable, we report that:

Unfavourable Remarks, Qualifications or adverse remarks by the respective auditors in the CARO reports of the companies included in the consolidated financial statements are:

S. No.	Name of the entity	CIN	Nature of Relationship	Clause number of the CARO report which is qualified or adverse
1	PC Jeweller Limited	L36911DL2005PLC134929	Holding Company	ii(a)&(b), iii(c), (d)&(e), vii(a), ix(a), xvii, xix, xx(b)
2	PC Universal Private Limited	U36912DL2013PTC248867	Subsidiary	vii(a), xvii
3	PCJ Gems & Jewellery Limited	U36911DL2019PLC348093	Subsidiary	vii(a), xvii
4	Transforming Retail Private Limited	U52100DL2014PTC271871	Subsidiary	vii(a), xvii
5	Luxury Products Trendsetter Private Limited	U52393DL2015PTC288371	Subsidiary	vii(a), xx

For Arun K Agarwal & Associates
Chartered Accountants
(Firm's Registration No. 003917N)

Sd/-
Arun Kumar Agarwal
(Partner)
M. No. 082899
UDIN:23082899BGXXGQ3875

Place: New Delhi
Date: 30.05.2023

Annexure A to Independent Auditors' Report

List of subsidiaries included in the consolidated financial statements

1. PC Universal Private Limited;
2. Transforming Retail Private Limited (ceased to be subsidiary during the year)
3. Luxury Products Trendsetter Private Limited
4. PC Jeweller Global DMCC; and
5. PCJ Gems & Jewellery Limited.

Annexure B to Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of PC Jeweller Limited('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') as of 31 March 2023 in conjunction with our audit of the consolidated financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

We did not audit the internal financial controls with reference to financial statements in so far as it relates to four subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 128.64 crore as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ 164.65 crore, total net profit after tax (before consolidation) of ₹15.51 crore, total comprehensive income of ₹15.47 crore and net cash inflows (before consolidation adjustments) amounting to ₹ 0.10 crore for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies, have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, is based solely on the reports of the auditors of such companies.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For Arun K Agarwal & Associates
Chartered Accountants
(Firm's Registration No. 003917N)

Sd/-
Arun Kumar Agarwal
(Partner)
M. No. 082899
UDIN:23082899BGXXGQ3875

Place: New Delhi
Date: 30.05.2023

CONSOLIDATED BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

		Notes	As at 31 March 2023	As at 31 March 2022
A	**Assets**			
1	**Non-current assets**			
	a) Property, plant and equipment	4	31.80	38.63
	b) Capital work-in-progress	4	0.70	-
	c) Right-of-use assets	46	81.99	80.61
	d) Other intangible assets	5	0.81	1.62
	e) Financial assets			
	i) Investments	6	0.01	-
	ii) Trade receivables	12	1,155.28	1,148.68
	iii) Loans	7	14.94	11.23
	iv) Other financial assets	8	26.52	25.84
	f) Deferred tax assets (net)	9	4.71	159.61
	g) Other non-current assets	10	5.83	7.76
	Total non-current assets		**1,322.59**	**1,473.98**
2	**Current assets**			
	a) Inventories	11	5,790.63	5,666.76
	b) Financial assets			
	i) Investments	12	2.47	2.74
	ii) Trade receivables	13	429.83	285.19
	iii) Cash and cash equivalents	14	41.90	23.38
	iv) Bank balance other than (iii) above	15	0.17	36.82
	v) Loans	7	1.36	0.63
	vi) Other financial assets	8	5.54	2.71
	c) Other current assets	10	41.43	52.86
	Total current assets		**6,313.33**	**6,071.09**
	Total assets		**7,635.92**	**7,545.07**
B	**Equity and Liabilities**			
1	**Equity**			
	a) Equity share capital	16	465.40	465.40
	b) Other equity	17	3,225.15	3,423.33
	Total equity		**3,690.55**	**3,888.73**
	Liabilities			
2	**Non-current liabilities**			
	a) Financial liabilities			
	i) Borrowings	18	-	-
	ii) Lease liabilities: Non current	46	76.31	77.77
	b) Provisions	19	4.09	4.45
	Total non-current liabilities		**80.40**	**82.22**
3	**Current liabilities**			
	a) Financial liabilities			
	i) Borrowings	20	3,630.38	3,282.73
	ii) Lease liabilities	46	29.70	30.11
	iii) Trade payables	21		
	- Total outstanding dues of micro enterprises and small enterprises; and		1.98	0.45
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		15.41	15.92
	iv) Other financial liabilities [other than those specified in item (c)]	22	52.62	38.89
	b) Other current liabilities	23	50.83	76.81
	c) Provisions	18	2.65	2.40
	d) Current tax liabilities (net)	24	81.40	126.81
	Total current liabilities		**3,864.97**	**3,574.12**
	Total liabilities		**3,945.37**	**3,656.34**
	Total equity and liabilities		**7,635.92**	**7,545.07**

Notes 1 to 57 form an integral part of these consolidated financial statements.

This is the consolidated balance sheet referred to in our report of even date.

For and on behalf of the Board of Directors

For Arun K Agarwal & Associates
Chartered Accountants
Firm's Registration No.: 003917N

Sd/-
Ramesh Kumar Sharma
Executive Director
DIN-01980542

Sd/-
Balram Garg
Managing Director
DIN-00032083

Sd/-
Arun Kumar Agarwal
Partner
Membership No. 082899

Sd/-
Vijay Panwar
Company Secretary
Membership No. A19063

Sd/-
Sanjeev Bhatia
Chief Financial Officer

Place: New Delhi
Date: 30 May 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

		Notes	Year ended 31 March 2023	Year ended 31 March 2022
1	Revenue from operations	25	2,472.68	1,606.13
2	Other income	26	163.25	52.81
3	**Total income (1+2)**		**2,635.93**	**1,658.94**
4	Expenses			
	a) Cost of materials consumed	27	2,018.80	972.03
	b) Purchases of stock-in-trade	28	202.34	143.89
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	(132.54)	296.04
	d) Employee benefits expense	30	56.44	47.62
	e) Finance costs	31	492.00	437.38
	f) Depreciation and amortisation expenses	32	27.23	27.75
	g) Other expenses	33	79.59	242.27
	Total expenses		**2,743.86**	**2,166.98**
5	**Profit before tax (3-4)**		**(107.93)**	**(508.04)**
6	Tax expense			
	a) Current tax	34	(56.28)	(18.93)
	b) Deferred tax	9	151.55	(98.11)
	Total tax expense		**95.27**	**(117.04)**
7	**Profit/(loss) for the year (5-6)**		**(203.20)**	**(391.00)**
8	Other comprehensive income:			
	(A) (i) Items that will not be reclassified to profit or loss:			
	- Remeasurement of post employment benefit obligations		0.57	0.53
	(ii) Income-tax relating to items that will not be reclassified to profit or loss		(0.14)	(0.13)
	(B) (i) Items that will be reclassified to profit or loss:			
	- Foreign currency translation		4.20	5.75
	(ii) Income-tax relating to items that will be reclassified to profit or loss		-	-
	Other comprehensive (loss)/income for the year, net of tax		**4.63**	**6.15**
9	**Total comprehensive income for the year (7+8)**		**(198.57)**	**(384.85)**
	Profit attributable to:			
	Owners of the Parent Company		(203.20)	(391.00)
	Non-controlling interests		-	-
	Other comprehensive (loss)/income attributable to:			
	Owners of the Parent Company		4.63	6.15
	Non-controlling interests		-	-
			(198.57)	**(384.85)**
10	Earnings per equity share: (face value of ₹ 10 per share)	35		
	Basic earnings per share (in ₹)		(4.37)	(8.40)
	Diluted earnings per share (in ₹)		(4.37)	(8.40)

Notes 1 to 57 form an integral part of these consolidated financial statements.

This is the consolidated statement of profit and loss referred to in our report of even date.

For Arun K Agarwal & Associates
Chartered Accountants
Firm's Registration No.: 003917N

Sd/-
Arun Kumar Agarwal
Partner
Membership No. 082899

Place: New Delhi
Date: 30 May 2023

For and on behalf of the Board of Directors

Sd/-
Ramesh Kumar Sharma
Executive Director
DIN-01980542

Sd/-
Balram Garg
Managing Director
DIN-00032083

Sd/-
Vijay Panwar
Company Secretary
Membership No. A19063

Sd/-
Sanjeev Bhatia
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

A Equity share capital:

(₹ in crore)

Particulars	Note	No. of shares	Amount
Issued, subscribed and fully paid up			
Equity shares of ₹ 10 each			
a) Property, plant and equipment			
Balance as at 1 April 2021	**15**	**46,54,03,896**	**465.40**
Changes in equity share capital due to prior period errors		-	-
Changes in equity share capital during the year		-	-
Balance as at 31 March 2022	**15**	**46,54,03,896**	**465.40**
Changes in equity share capital due to prior period errors		-	-
Changes in equity share capital during the year		-	-
Balance as at 31 March 2023	**15**	**46,54,03,896**	**465.40**

B Other equity:

(₹ in crore)

Particulars	Reserves and surplus						Total
	Securities premium	General reserve	Share options outstanding account	Foreign currency translation reserve	Retained earnings	Items of other comprehensive income	
						Remeasurement of employee defined benefit plans	
Balance as at 1 April 2021	**1,068.95**	**68.33**	**21.26**	**1.16**	**2,641.51**	**2.70**	**3,803.91**
Profit for the year	-	-	-	-	(384.40)	-	**(384.40)**
Other comprehensive income/(loss) for the year (net of income tax)	-	-	-	5.74	-	0.40	**6.14**
Total comprehensive income for the year	**-**	**-**	**-**	**5.74**	**(384.40)**	**0.40**	**(378.26)**
Share option expense reversal*	-	1.64	(1.64)	-	-	-	**-**
Share option investment reversal**	-	-	(2.32)	-	-	-	**(2.32)**
Balance as at 31 March 2022	**1,068.95**	**69.97**	**17.30**	**6.90**	**2,257.11**	**3.10**	**3,423.33**
Profit for the year	-	-	-	-	(203.20)	-	**(203.20)**
Other comprehensive income for the year (net of income tax)	-	-	-	4.20	-	0.42	**4.62**
Total comprehensive income for the year	**-**	**-**	**-**	**4.20**	**(203.20)**	**0.42**	**(198.58)**
Non-controlling interest portion on account of loss of control in Subsidiary Company	-	-	-	-	0.44	-	**0.44**
Others	-	-	-	-	(0.04)	-	**(0.04)**
Balance as at 31 March 2023	**1,068.95**	**69.97**	**17.30**	**11.10**	**2,054.31**	**3.52**	**3,225.15**

* During the previous year ended 31 March 2022, the Parent Company has transferred an amount of ₹ 1.64 crores from Share Option Outstanding Account to General Reserve on account of 37,408 share options lapsed/forfeited in accordance with the ESOP plan 2011.

** During the previous year ended 31 March 2022, the amount of ₹ 2.32 crores has been reduced from share option outstanding account on account of share option lapsed/forfeited in accordance with ESOP Plan 2011, which were granted to an employee of a subsidiary company (Luxury Products Trendsetter Private Limited).

Notes 1 to 57 form an integral part of these consolidated financial statements.

This is the consolidated statement of changes in equity referred to in our report of even date

For Arun K Agarwal & Associates
Chartered Accountants
Firm's Registration No.: 003917N

Sd/-
Arun Kumar Agarwal
Partner
Membership No. 082899

Place: New Delhi
Date: 30 May 2023

For and on behalf of the Board of Directors

Sd/-
Ramesh Kumar Sharma
Executive Director
DIN-01980542

Sd/-
Balram Garg
Managing Director
DIN-00032083

Sd/-
Vijay Panwar
Company Secretary
Membership No. A19063

Sd/-
Sanjeev Bhatia
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A	**Cash flow from operating activities:**		
	(Loss)/profit before tax	**(107.93)**	**(508.04)**
	Adjustments for:		
	Depreciation and amortisation expenses	27.42	27.81
	Interest income on fixed deposit	(1.73)	(1.70)
	Interest income on loans given to body corporate	(0.60)	(0.75)
	Net (profit)/loss on disposal of property, plant and equipment	0.21	(0.01)
	Net (profit)/loss on FVTPL from investments	-	(0.02)
	Finance costs	492.00	427.46
	Unwinding of discount on security deposits	(0.16)	(0.07)
	Discounting of rental expenses as per IND AS 116	(37.51)	(28.54)
	(Profit)/loss on Foreign Currency Translation	4.20	5.75
	Unrealised gain on foreign exchange	(144.78)	(107.29)
	Actuarial loss forming part of other comprehensive income	0.57	0.52
	Adjustment due to fair valuation of gold loan at unfixed prices	(1.61)	(4.65)
	Fair valuation adjustment of forwards contracts	-	(1.07)
	Gain on rent reduction/waiver due to Covid-19	(2.53)	(3.25)
	Provision for expected credit loss for trade receivables	12.32	188.09
	Gain on loss of Controlling interest in Transforming Retail Private Limited	(8.90)	-
	Operating profit/(loss) before working capital changes	**230.97**	**(5.76)**
	Adjustments for:		
	(Increase)/decrease in inventories	(118.92)	277.52
	(Increase)/decrease in financial assets	(6.61)	58.76
	(Increase)/decrease in non-financial assets	11.80	19.09
	(Increase)/decrease in trade receivables	(20.93)	(97.54)
	Increase/(decrease) in trade payables	10.40	(903.12)
	Increase/(decrease) in financial liabilities	12.30	(74.39)
	Increase/(decrease) in non-financial liabilities	(26.97)	(12.53)
	Increase/(decrease) in provisions	(0.05)	(0.10)
	Cash generated from/(used in) operating activities	**91.99**	**(738.07)**
	Direct taxes refunded	7.51	18.69
	Net cash generated from/(used in) operating activities	**99.50**	**(719.38)**
B	**Cash flow from investing activities:**		
	Purchase of property, plant and equipment including capital advances	(2.92)	(3.71)
	Proceeds from disposal of property, plant and equipment	0.52	0.06
	Redemption/(purchase) of current investments, net	0.27	5.60
	Interest accured on Loan	0.49	-
	Loans repaid by/(given to) body corporate	(6.98)	25.70
	Interest received	2.25	3.23
	Redemption of fixed deposits, net	36.31	84.06
	Net cash generated from investing activities	**29.94**	**114.94**

(₹ in crore)

	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
C	**Cash flow from financing activities:**		
	(Repayment of)/ proceeds from long term loans	3.79	(2.42)
	Increase in short term borrowings, net of interest payable	-	729.00
	Interest paid	(114.71)	(156.53)
	Net cash (used in)/ generated from financing activities	**(110.92)**	**570.05**
D	Net increase/(decrease) in cash and cash equivalents (A+B+C)	18.52	(34.39)
E	Cash and cash equivalents as at the beginning of the year	23.38	57.77
F	**Cash and cash equivalents as at the end of the year (refer note 13)**	**41.90**	**23.38**
	Components of cash and cash equivalents:		
	Balances with banks - in current accounts	37.93	20.69
	Cheques on hand	-	0.10
	Cash on hand	3.97	2.59
	Deposits with original maturity of less than 3 months	-	-
		41.90	**23.38**

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

Notes 1 to 57 form an integral part of these consolidated financial statements.

This is the consolidated cash flow statement referred to in our report of even date

For and on behalf of the Board of Directors

For Arun K Agarwal & Associates
Chartered Accountants
Firm's Registration No.: 003917N

Sd/-
Ramesh Kumar Sharma
Executive Director
DIN-01980542

Sd/-
Balram Garg
Managing Director
DIN-00032083

Sd/-
Arun Kumar Agarwal
Partner
Membership No. 082899

Sd/-
Vijay Panwar
Company Secretary
Membership No. A19063

Sd/-
Sanjeev Bhatia
Chief Financial Officer

Place: New Delhi
Date: 30 May 2023

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Corporate information

Nature of operations

PC Jeweller Limited (the 'Parent Company') was incorporated on 13 April 2005. The Parent 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 Parent Company's shares are listed on the National Stock Exchange of India Limited and BSE Limited.

General information and statement of compliance with Ind AS

The consolidated financial statements include the financial statements of the Parent Company and its undermentioned subsidiaries (hereinafter referred as the 'Group'):

i. PC Universal Private Limited, India, 100% subsidiary with effect from 28 February 2013

ii. Transforming Retail Private Limited, India, 100% subsidiary with effect from 24 September 2014 but ceased to be subsidiary during the year.

iii. Luxury Products Trendsetter Private Limited, India, 100% subsidiary with effect from 11 December 2015

iv. PC Jeweller Global DMCC, Dubai ('PCJ DMCC'), 100% subsidiary with effect from 8 June 2016

v. PCJ Gems and Jewellery Limited, India, 100% subsidiary with effect from 01 April 2019.

The following table summarises the principal line of activity of each of the aforementioned subsidiary:

Subsidiaries	Principal activities
PC Universal Private Limited	Jewellery manufacturing and export
Transforming Retail Private Limited^	Online retail trading in jewellery
Luxury Products Trendsetter Private Limited	Jewellery manufacturing and trading
PC Jeweller Global DMCC	Jewellery trading
PCJ Gems & Jewellery Limited	Jewellery manufacturing, trading, import and export

^Ceased to be subsidiary during the year.

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ('the Act'), Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other pronouncements/ provisions of applicable laws.

The consolidated financial statements for the year ended 31 March 2023 were authorised and approved for issue by the Board of Directors on 30 May 2023. Revisions to consolidated financial statements, if required, is permitted by the Board of Directors subject to obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

2. Application of new and revised Indian Accounting Standard (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs ('MCA') under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the consolidated financial statements are authorised have been considered in preparing these consolidated financial statements.

Recent Pronouncements

MCA notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April 2023, as below:

a) Ind AS 1–Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

b) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group is evaluating the impact, if any, in its financial statements.

c) Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

3. Summary of significant accounting policies

a) Overall consideration

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements, unless otherwise stated.

Basis of preparation

The consolidated financial statements have been prepared on a going concern basis under the historical cost basis except for the following-

- Certain financial assets and liabilities which have been measured at fair value (refer note 41 for further details); and
- Share based payments which are measured at fair value of the options at the grant date.

The consolidated financial statements of the Group are presented in Indian Rupees (₹), which is also its financial currency and all amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirements of schedule III to the Act, unless otherwise stated. Certain amounts that are required to be disclosed and do not appear due to rounding-off have been so stated by way of a note.

b) Principles of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 31 March 2023. All subsidiaries have a reporting date of 31 March 2023.

Subsidiaries are all entities over which control is exercised. Control is deemed to exist, only if there is:

a) power over the entity;

b) exposure, or rights, to variable returns from its involvement with the entity; and

c) the ability to use its power over the entity to affect the amount of its returns.

The Group reassesses, whether it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of the financial statements of subsidiaries begins on the date, control is established.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intragroup asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group. The Group combines the financial statements of the Parent Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses

Profit or loss and other comprehensive income of subsidiaries acquired (if any) during the year are recognised from the effective date of acquisition.

c) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) Foreign currency translation

Initial recognition

Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items of the Group, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Group's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

Translation of foreign operations

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than the Indian Rupees (₹) are translated into Indian Rupees (₹) upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into Indian Rupees (₹) at the closing rate at the reporting date. Income and expenses have been translated into Indian Rupees (₹) at the average rate over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are reclassified to profit or loss and are recognised as part of the gain or loss on disposal.

e) Revenue recognition

Sale of goods

Revenue from the contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. Sales, as disclosed, are net of trade allowances, rebates, goods and service tax, and amounts collected on behalf of third parties.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). In respect of contracts with customers that contain a financing component i.e.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

when payment by a customer occurs significantly before performance and the fair value of goods provided to the customer at the end of the contract term exceeds the advance payments received, interest expense is recognized on recognition of a contract liability over the contract period and is presented under the head finance costs in statement of profit and loss and total transaction price including financing component is recognized when control of the goods is transferred to the customer.

Satisfaction of performance obligations

The Group's revenue is derived from the single performance obligation to transfer primarily gold and diamond products under arrangements in which the transfer of control of the products and the fulfilment of the Group's performance obligation occur at the same time. Revenue from the sale of goods is recognised when the entity has transferred control of the goods to the buyer and the buyer obtains the benefits from the goods, the potential cash flows and the amount of revenue (the transaction price) can be measured reliably, and it is probable that the entity will collect the consideration to which it is entitled to in exchange for the goods.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment. In respect of sale of goods at prices that are yet to be fixed at the year end, adjustments to the provisional amount billed to the customers are recognised based on the year end closing gold rate.

Interest and dividend income

Interest income is recognised on an accrual basis using the effective interest method. Dividends are recognised at the time the right to receive the payment is established. Other income is recognised when no significant uncertainty as to its determination or realisation exists.

f) Property, plant and equipment

Recognition and initial measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at their cost of acquisition less accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Capital expenditure incurred on rented properties is classified as 'Leasehold improvements' under property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on written-down value, computed on the basis of useful lives (as set out below) prescribed in Schedule II of the Act:

Asset category	Estimated useful life (in years)
Buildings	30
Plant and equipments	15
Office equipments	5
Computers	3 for data processing units and 6 for servers
Furniture and fixtures	10
Vehicles	8 for motor cars and 10 for scooters

Leasehold improvements have been amortised over the estimated useful life of the assets or the period of lease, whichever is lower. The residual values, useful lives and method of depreciation and amortisation are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

g) Intangible assets

Recognition and initial measurement

Intangible assets include trademarks and computer software purchased by the Group. All items of intangible assets are stated at their cost of acquisition. The cost comprises purchase price, and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (depreciation and useful lives)

Amortisation of intangible assets is provided on straight-line basis, computed on the basis of useful lives estimated by the management. The useful life of an intangible asset would include the renewal period(s) only if there is enough evidence to support the renewal by the entity without a significant cost.

Asset category	Estimated useful life (in years)
Trademarks	10
Software	10

Derecognition

An item of intangible asset and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

h) Leases

Group as a lessee

The Group's lease asset classes primarily consist of property leases. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment whether it will exercise an extension or a termination option.

i) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors,

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

j) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Subsequent measurement

i. Financial instruments at amortised cost – the financial instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All the debt instruments of the Group are measured at amortised cost.

ii. Mutual funds – All mutual funds in scope of IndAS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the right to receive cash flows from the asset have expired or the Group has transferred its right to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Compound financial instruments

Compound financial instruments are separated into liability and equity components based on the terms of the contract. On issuance of the said instrument, the liability component is arrived by discounting the gross sum at a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on conversion or redemption. The remainder of the proceeds is recognised as equity component of compound financial instrument. This is recognised and included in shareholders' equity, net of income-tax effects, and not subsequently re-measured.

Derivative contracts and hedge accounting

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified variable. The Group enters into purchase gold contract, in which the amount payable is not fixed based on gold price on the date of purchase, but instead is affected by changes in gold prices in future. Such transactions are entered into to protect against the risk of gold price movement in the purchased gold. Accordingly, such unfixed payables are considered to have an embedded derivative. The Group designates the gold price risk in such instruments as hedging instruments, with gold inventory considered to be the hedged item. The hedged risk is gold prices in USD.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Changes in fair value of the hedging instrument attributable to the risk hedged is recorded as part of the carrying value of the hedged item.

Other derivatives

The Group also uses foreign exchange forward contracts to hedge its exposure towards foreign currency. These foreign exchange forward contracts are not used for trading or speculation purposes. A derivative contract is recognised as an asset or a liability on the commitment date. Outstanding derivative contracts as at reporting date are fair valued and recognised as financial asset/ financial liability, with the resultant gain/(loss) being recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k) Impairment of financial assets

In accordance with IndAS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Group applies approach permitted by Ind AS 109, financial instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

l) Inventories

Raw Material: Lower of cost or net realisable value. Cost is determined on first in first out ('FIFO') basis.

Work in progress: At cost determined on FIFO basis up to estimated stage of completion.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Finished goods: Lower of cost or net realisable value. Cost is determined on FIFO basis, includes direct material and labour expenses and appropriate proportion of manufacturing overheads based on the normal capacity for manufactured goods.

Stock in trade: Lower of cost or net realisable value. Cost is determined on first in first out ('FIFO') basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

m) Taxes on income

Tax expense recognised in the statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ('OCI') or directly in equity.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income-tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity).

Deferred income-tax is calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity).

n) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

o) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

p) Post-employment, long term and short term employee benefits

Defined contribution plans

Provident fund benefit is a defined contribution plan under which the Group pays fixed contributions into funds established under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

Defined benefit plans

Gratuity is a post-employment benefit defined under The Payment of Gratuity Act, 1972 and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at the end of each reporting period by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the OCI in the year in which such gains or losses are determined.

Management's estimate of the Defined benefit obligation (DBO) is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Other long-term employee benefits

Liability in respect of compensated absences is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to the statement of profit and loss in the year in which such gains or losses are determined.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

q) Share based payments

Employee stock option plan

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit and loss, with a corresponding adjustment to equity.

r) Operating expenses

Operating expenses are recognised in the statement of profit and loss upon utilisation of the service or as incurred.

s) Borrowing costs

Borrowing costs directly attributable to the acquisitions, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

t) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received if an asset is sold or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

u) Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefit is probable, related asset is disclosed.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

v) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

w) Equity, reserves and dividend payment

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Retained earnings include current and prior period retained profits. All transactions with owners of the Parent Company are recorded separately within equity. The Board of Directors of the Parent Company have not recommended any dividend for the year.

x) Segment reporting

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

y) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements and estimates

The following are significant management judgements and estimates in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 4: PROPERTY, PLANT AND EQUIPMENT

(₹ in crore)

Particulars	Free hold land	Buildings	Leasehold improvements	Plant and equipments	Office equipments	Computers	Furniture and fixtures	Vehicles	Total
Gross block									
As at 1 April 2021	**10.75**	**11.91**	**66.72**	**8.45**	**23.76**	**6.04**	**6.69**	**6.21**	**140.53**
Additions	-	-	-	0.07	-*	0.01	-*	1.79	**1.87**
Disposals	-	-	-	(0.11)	-*	-	(0.01)	-*	**(0.12)**
Foreign currency translation	-	0.26	-	0.01	-*	-*	-*	-	**0.27**
As at 31 March 2022	**10.75**	**12.17**	**66.72**	**8.42**	**23.76**	**6.05**	**6.68**	**8.00**	**142.55**
Additions	-	-	-*	0.17	0.12	0.10	0.03	0.01	**0.43**
Disposals	-	-	(0.07)	(0.50)	(0.46)	(0.08)	(0.06)	(0.30)	**(1.47)**
Other adjustments	-	-	-	-	(0.10)	(0.04)	(0.02)	(1.85)	**(2.01)**
Foreign currency translation	-	0.60	-	0.02	-*	-*	-*	-	**0.62**
As at 31 March 2023	**10.75**	**12.77**	**66.65**	**8.11**	**23.32**	**6.03**	**6.63**	**5.86**	**140.12**
Accumulated depreciation									
As at 1 April 2021	**-**	**3.01**	**50.21**	**4.78**	**23.04**	**5.29**	**5.14**	**4.60**	**96.07**
Charge for the year	-	0.66	4.61	0.65	0.60	0.20	0.49	0.65	**7.86**
Reversal/adjustment on disposals	-	-	-	(0.06)	-*	-	(0.01)	-*	**(0.07)**
Foreign currency translation	-	0.05	-	0.01	-*	-*	-*	-	**0.06**
As at 31 March 2022	**-**	**3.72**	**54.82**	**5.38**	**23.64**	**5.49**	**5.62**	**5.25**	**103.92**
Charge for the year	-	0.65	3.93	0.64	0.11	0.15	0.32	0.78	**6.58**
Reversal/adjustment on disposals	-	-	(0.06)	(0.39)	(0.44)	(0.08)	(0.04)	(0.28)	**(1.29)**
Other adjustments	-	-	-	-	(0.10)	(0.04)	(0.01)	(0.92)	**(1.07)**
Foreign currency translation	-	0.15	-	0.02	0.01	-*	-*	-	**0.18**
As at 31 March 2023	**-**	**4.52**	**58.69**	**5.65**	**23.22**	**5.52**	**5.89**	**4.83**	**108.32**
Net block:									
As at 31 March 2023	10.75	8.25	7.96	2.46	0.10	0.51	0.74	1.03	31.80
As at 31 March 2022	10.75	8.45	11.90	3.04	0.12	0.56	1.06	2.75	38.63

* Rounded off to nil.

Note 1: The amount of contractual commitments for the acquisition of property, plant and equipment, but not recognised as a liability as at 31 March 2023 was Nil (31 March 2022: Nil).

Note 2: The title deeds of all immovable properties are held in the name of the Parent Company and its Subsidiaries.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

Particulars	Capital work-in-progress
As at 1st April 2021	**-**
Additions	-
Capitalisations	-
As at 31st March 2022	**-**
As at 1st April 2022	-
Additions	0.70
Capitalisations	-
As at 31st March 2023	**0.70**

a) Capital-Work-in Progress (CWIP) ageing schedule

(₹ in crore)

Particulars	As at 31 March 2023				
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Projects in progress	0.70	-	-	-	0.70
b) Projects temporarily suspended	-	-	-	-	-

b) Capital-Work-in Progress (CWIP) ageing schedule

(₹ in crore)

Particulars	As at 31 March 2022				
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Projects in progress	-	-	-	-	-
b) Projects temporarily suspended	-	-	-	-	-

NOTE 5: OTHER INTANGIBLE ASSETS:

(₹ in crore)

	Trademark	Computer software	Total
Gross block:			
As at 1 April 2021	**1.59**	**1.19**	**2.78**
Additions	-	0.05	0.05
Disposals	-	(0.03)	(0.03)
As at 31 March 2022	**1.59**	**1.21**	**2.80**
Additions	0.07	-	0.07
Disposals	(0.63)	-	(0.63)
As at 31 March 2023	**1.03**	**1.21**	**2.24**
Accumulated amortisation			
As at 1 April 2021	**0.74**	**0.18**	**0.92**
Amortisation charge for the year	0.16	0.12	0.28
Reversal on disposals	-	(0.02)	(0.02)
As at 31 March 2022	**0.90**	**0.28**	**1.18**
Amortisation charge for the year	0.12	0.13	0.25

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

	Trademark	Computer software	Total
Reversal on disposals	-	-	-
As at 31 March 2023	**1.02**	**0.41**	**1.43**
Net block:			
As at 31 March 2023	0.01	0.80	0.81
As at 31 March 2022	0.69	0.93	1.62

NOTE 6: NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Investments in equity instruments (unquoted) - fully paid up - at cost		
Transforming Retail Private Limited^	0.01	-
10,000 (31 March 2022: NIL) equity shares of ₹ 10 each		
	0.01	-
Aggregate amount of unquoted investments	0.01	-

^ Ceased to be subsidiary during the year.

NOTE 7: FINANCIAL ASSETS - LOANS

(₹ in crore)

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
(Unsecured and considered good, unless stated otherwise)				
Loan to related parties (refer note (a) below)	3.71	0.61	-	-
Loan to body corporates (refer note (a) below)				
- Considered good- unsecured	11.23	0.75	11.23	0.63
Total	**14.94**	**1.36**	**11.23**	**0.63**

(a) Loans have been given to Shivani Sarees Private Limited, Jewel Travels Private Limited and Transforming Retail Private Limited for business purposes.

NOTE 8: OTHER FINANCIAL ASSETS

(₹ in crore)

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
(Unsecured and considered good)				
Deposits with maturity of more than 12 months (refer note (a) below)	1.01	-	0.21	-
Security deposits				
- Considered good- unsecured	25.51	5.54	25.63	2.69
Others	-	-	-	0.02
Total	**26.52**	**5.54**	**25.84**	**2.71**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 9: DEFERRED TAX ASSETS (NET)

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Deferred tax asset arising on account of		
Difference between accounting base and tax base of property, plant and equipment	0.52	13.26
Provision for employee benefits	0.02	1.75
Deferred lease rent	-	11.30
Provision for discount	-	0.74
Financial assets and liabilities at amortised cost	-	0.74
Unpaid interest to scheduled banks	-	63.60
Losses carried forward	3.96	8.18
Minimum alternate tax credit entitlement	0.21	0.21
Expected credit loss on trade receivables	-	52.90
Valuation of inventory	-	1.21
Others	-	5.88
	4.71	**159.77**
Deferred tax liability arising on account of		
Financial assets at fair value through profit or loss	-	(0.16)
	-	**(0.16)**
Net deferred tax assets	**4.71**	**159.61**

(a) Changes in deferred tax assets and deferred tax liabilities from 1 April 2022 to 31 March 2023

(₹ in crore)

Particulars	Opening balance as on 1 April 2022	Recognised/ (reversed) in statement of profit and loss	Recognised/ (reversed) in other comprehensive income	Other reversals*	Closing balance as on 31 March 2023
Deferred tax asset arising on account of					
Difference between accounting base and tax base of property, plant and equipment	13.26	(12.63)	-	(0.11)	0.52
Provision for employee benefits	1.75	(1.58)	(0.14)	(0.01)	0.02
Deferred lease rent	11.30	(11.29)	-	(0.01)	-
Provision for discount	0.74	(0.74)	-	-	-
Financial assets and liabilities at amortised cost	0.74	(0.74)	-	-	-
Unpaid interest to scheduled banks	63.60	(63.60)	-	-	-
Losses carried forward	8.18	(1.14)	-	(3.08)	3.96
Minimum alternate tax credit entitlement	0.21	-	-	-	0.21
Expected credit loss on trade receivables	52.90	(52.90)	-	-	-
Valuation of inventory	1.21	(1.21)	-	-	-
Others	5.88	(5.88)	-	-	-
	159.77	**(151.71)**	**(0.14)**	**(3.21)**	**4.71**
Deferred tax liability arising on account of					
Financial assets at fair value through profit or loss	(0.16)	0.16	**-**	**-**	**-**
	(0.16)	**0.16**	**-**	**-**	**-**
Net deferred tax assets	**159.61**	**(151.55)**	**(0.14)**	**(3.21)**	**4.71**

* Reversal on account of loss on control of subsidiary.

Considering the uncertainty w.r.t future taxable profits, the Parent Company has not recognised the Deferred tax assets (on net basis) during the year ended 31 March, 2023 in accordance with Ind AS-12. Further, the existing Deferred Tax Assets of ₹ 150.55 crores have also been derecognised during the year. The same shall be reviewed and reassessed in future period.

(b) Changes in deferred tax assets and deferred tax liabilities from 1 April 2021 to 31 March 2022

(₹ in crore)

Particulars	Opening balance as on 1 April 2021	Recognised/ (reversed) in statement of profit and loss	Recognised/ (reversed) in other comprehensive income	Other reversals	Closing balance as on 31 March 2022
Deferred tax asset arising on account of					
Difference between accounting base and tax base of property, plant and equipment	13.95	(0.69)	-	-	13.26
Provision for employee benefits	1.76	0.12	(0.13)	-	1.75
Deferred lease rent	9.50	1.80	-	-	11.30
Provision for discount	0.70	0.04	-	-	0.74
Financial assets and liabilities at amortised cost	1.93	(1.19)	-	-	0.74
Unpaid interest to scheduled banks*	-	63.60	-	-	63.60
Losses carried forward	9.68	(1.50)	-	-	8.18
Minimum alternate tax credit entitlement	0.21	-	-	-	0.21
Expected credit loss on trade receivables*	15.75	37.15	-	-	52.90
Valuation of inventory	1.94	(0.73)	-	-	1.21
Others	6.37	(0.49)	-	-	5.88
	61.79	**98.11**	**(0.13)**	**-**	**159.77**
Deferred tax liability arising on account of					
Financial assets at fair value through profit or loss	(0.16)	-**	-	-	(0.16)
	(0.16)	-	-	-	**(0.16)**
Net deferred tax assets	**61.63**	**98.11**	**(0.13)**	**-**	**159.61**

* During the financial year ended 31 March 2022, the increase in deferred tax asset (DTA) was on account of dissallowances mainly of ECL and unapplied finance cost under Income-tax Act 1961.

** Rounded off to nil

NOTE 10: OTHER ASSETS

(₹ in crore)

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Advance to suppliers	-	17.05	-	18.68
Balances with statutory authorities	-	11.26	-	26.33
Prepaid expenses	5.83	2.56	7.76	2.65
Others*	-	10.56	-	5.20
	5.83	**41.43**	**7.76**	**52.86**

*The Parent Company has treated ₹ 8.00 crore debited by lead bank on various occasions arbitrarily as disputed receivable.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 11: INVENTORIES

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
(valued at lower of cost and net realisable value)		
Raw materials	3.32	14.89
Work-in-progress	4,447.81	1,935.99
Finished goods*	1,339.50	3,715.88
	5,790.63	**5,666.76**

*Includes stock-in-trade

NOTE 12: CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Investment in mutual funds (quoted) - at fair value through profit and loss		
Union Corporate Bond Fund - Regular Growth Plan (31 March 2023: 1,076,745 units, 31 March 2022: 1,076,745 units)	1.39	1.35
Canara Robeco Capital Protection Oriented Fund Series 10 Regular Growth Plan (31 March 2023: NIL units, 31 March 2022: 250,000 units)	-	0.33
ICICI PLFRAG Medium Term Bond Fund - Growth (31 March 2023: 71,825 units, 31 March 2022: 71,825 units)	0.27	0.26
HDFC Top 100 Fund-Growth Plan (31 March 2023: 4,661 units, 31 March 2022: 4,661 units)	0.35	0.32
State Bank of India Magnum Balanced Fund - Regular Growth Plan (31 March 2023: 10,628 units, 31 March 2022: 10,628 units)	0.21	0.22
Union Medium Duration Fund - Regular Growth Plan (31 March 2023: 2,49,987.501 units, 31 March 2022: 2,49,987.501 units)	0.25	0.26
	2.47	**2.74**
Aggregate amount of quoted investments and market value thereof	2.47	2.74

NOTE 13: TRADE RECEIVABLES

(₹ in crore)

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Considered good - unsecured#	1155.28	429.83	1,148.68	285.19
Credit impaired on trade receivables	230.62	33.35	224.27	27.37
Less: Loss allowance	(230.62)	(33.35)	(224.27)	(27.37)
	1,155.28	**429.83**	**1,148.68**	**285.19**

Includes amount of unrealised foreign currency gain of ₹ 252.31 crore

The net carrying amount of trade receivables is considered a reasonable approximation of fair value.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Trade receivables (Non-current) ageing schedule for the year ended 31 March 2022 and 31 March 2023:

(₹ in crore)

	Particulars	Amount Outstanding for following periods from due date of payment						Total
		Not Due 31-03-2023 (31-03-2022)	Less than 6 Months 31-03-2023 (31-03-2022)	6 Months to 1 Year 31-03-2023 (31-03-2022)	1 to 2 Years 31-03-2023 (31-03-2022)	2 to 3 Years 31-03-2023 (31-03-2022)	More than 3 Years 31-03-2023 (31-03-2022)	31-03-2023 (31-03-2022)
1.	Undisputed Trade receivables-Considered good	-	-	-	227.41	475.24	452.63	**1,155.28**
		-	159.73	48.82	524.73	415.40	-	**1,148.68**
2.	Undisputed Trade Receivables-which have significant increase in credit Risk	-	-	-	-	-	-	**-**
		-	-	-	-	-	-	**-**
3.	Undisputed Trade Receivables-credit impaired	-	-	-	60.82	100.25	69.55	**230.62**
		-	44.23	12.98	101.15	65.91	-	**224.27**
4.	Disputed Trade Receivables -Considered good	-	-	-	-	-	-	**-**
		-	-	-	-	-	-	**-**
5.	Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	**-**
		-	**-**	**-**	**-**	**-**	**-**	-
6.	Disputed Trade Receivables-Credit impaired	-	-	-	-	-	-	**-**
		-	-	-	-	-	-	**-**
	Total	**-**	**-**	**-**	**288.23**	**575.49**	**522.18**	**1,385.90**
		-	**203.96**	**61.80**	**625.88**	**481.31**	**-**	**1,372.95**
	Less: Allowance for Credit Loss							(230.62)
								(224.27)
	Total Trade Receivables							**1,155.28**
								1,148.68

Trade receivables (Current) ageing schedule for the year ended 31 March 2022 and 31 March 2023:

(₹ in crore)

	Particulars	Amount Outstanding for following periods from due date of payment						Total
		Not Due 31-03-2023 (31-03-2022)	Less than 6 Months 31-03-2023 (31-03-2022)	6 Months to 1 Year 31-03-2023 (31-03-2022)	1 to 2 Years 31-03-2023 (31-03-2022)	2 to 3 Years 31-03-2023 (31-03-2022)	More than 3 Years 31-03-2023 (31-03-2022)	31-03-2023 (31-03-2022)
1.	Undisputed Trade receivables-Considered good	32.09	0.63	0.01	0.01	0.23	396.86	**429.83**
		13.14	0.55	0.99	0.22	269.15	1.14	**285.19**
2.	Undisputed Trade Receivables-which have significant increase in credit Risk	-	-	-	-	-	-	**-**
		-	-	-	-	-	-	**-**
3.	Undisputed Trade Receivables-credit impaired	-	-	-	-	-	33.35	**33.35**
		-	-	-	-	27.37	-	**27.37**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

	Particulars	Amount Outstanding for following periods from due date of payment						Total
		Not Due 31-03-2023 (31-03-2022)	Less than 6 Months 31-03-2023 (31-03-2022)	6 Months to 1 Year 31-03-2023 (31-03-2022)	1 to 2 Years 31-03-2023 (31-03-2022)	2 to 3 Years 31-03-2023 (31-03-2022)	More than 3 Years 31-03-2023 (31-03-2022)	31-03-2023 (31-03-2022)
4.	Disputed Trade Receivables -Considered good	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
5.	Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
6.	Disputed Trade Receivables-Credit impaired	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
	Total	**32.09**	**0.63**	**0.01**	**0.01**	**0.23**	**430.21**	**463.18**
		13.14	**0.55**	**0.99**	**0.22**	**296.52**	**1.14**	**312.56**
	Less: Allowance for Credit Loss							(33.35)
								(27.37)
	Total Trade Receivables							**429.83**
								285.19

NOTE 14: CASH AND CASH EQUIVALENTS

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Balances with banks - in current accounts (refer note (a) below)	37.93	20.69
Cheques on hand	-	0.10
Cash on hand	3.97	2.59
	41.90	**23.38**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period

(a) Inter-alia includes deposits of ₹ 0.00* crore (31 March 2022: ₹ 0.00 crore*) which are earmarked.

*Rounded off to Nil

NOTE 15: OTHER BANK BALANCES

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Deposits with maturity of more than 3 months but less than 12 months (refer note a below)	0.10	36.73
Unclaimed dividend account (refer note b below)	0.07	0.09
	0.17	**36.82**

(a) *Inter-alia* includes deposits of ₹ 0.02 crore (31 March 2022: ₹ 0.02 crore) which are earmarked.

(b) Not due for deposit to the Investor Education and Protection Fund.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 16: EQUITY SHARE CAPITAL

(₹ in crore)

		Number of shares	Amount
a)	**Authorised share capital**		
	Equity shares of ₹ 10 each		
	Total authorised equity share capital as at 31 March 2022/31 March 2023	**50,00,00,000**	**500.00**
	Preference shares of ₹ 10 each		
	Total authorised preference share capital as at 31 March 2022/31 March 2023	**26,00,00,000**	**260.00**
	Issued, subscribed and paid-up share capital:		
	Equity shares of ₹ 10 each		
	Balance as at 1 April 2021	46,54,03,896	465.40
	Changes in equity share capital due to prior period errors	-	-
	Changes in equity share capital during the year	-	-
	Balance as at 31 March 2022	**46,54,03,896**	**465.40**
	Changes in equity share capital due to prior period errors	-	-
	Changes in equity share capital during the year	-	-
	Balance as at 31 March 2023	**46,54,03,896**	**465.40**

b) Terms and rights attached to equity shares

The Parent Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Parent Company, holders of equity shares will be entitled to receive the remaining assets of the Parent Company, after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

c) Shares reserved for issue under options

3,461,867 equity shares are reserved for issue under the Employees' stock option plan of the Parent Company. Information relating to Employees' stock option plan, including details of options granted, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 37.

d) Details of shareholders holding more than 5% of the shares of the Parent Company*

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 10 each				
Mr. Balram Garg	20,42,82,100	43.89%	20,42,82,100	43.89%
Mrs. Krishna Devi	4,84,62,813	10.41%	4,84,62,813	10.41%
	25,27,44,913	**54.30%**	**25,27,44,913**	**54.30%**

**As per the records of the Parent Company, including its register of shareholders/members and other declarations, if any, received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.*

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

e) Disclosure of shareholding of Promoters

Name of Promoter	Equity shares held by promoters				% change during the year
	As at 31 March 2023		As at 31 March 2022		
	Number of shares	% of total shares	Number of shares	% of total shares	
Mr. Balram Garg	204282100	43.89%	204282100	43.89%	-

f) The shareholders of the Parent Company approved the issue of 179,212,800 equity shares as bonus shares which were subsequently alloted on 10 July 2017. Further the Parent Company has allotted 11,236,800 equity shares as bonus shares on 19 August 2017 on conversion of compulsorily convertible debentures. Other than this, the Parent Company has not issued any shares pursuant to contract without payment being received in cash, or allotted as fully paid up by way of bonus shares or bought back any shares during the period of five years immediately preceding the date of balance sheet.

NOTE 17: OTHER EQUITY

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Retained earnings	2,054.31	2,257.11
General reserve	69.97	69.97
Securities premium	1,068.95	1,068.95
Share options outstanding account	17.30	17.30
Foreign currency translation reserve	11.10	6.90
Items of other comprehensive income	3.52	3.10
	3,225.15	**3,423.33**

Retained earnings

Retained earnings are created from the profit/loss of the Group, as adjusted for distributions to owners, transfers to other reserves, etc.

General reserve

Under the Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with Companies (Transfer of profits to Reserve) Rules, 1975. Consequent to introduction of the Companies Act 2013, there is no such requirement to mandatorily transfer a specified percentage of the net profit to general reserve.

Securities premium

Securities premium is used to record the premium on issue of shares. The premium will be utilised in accordance with provisions of the Act.

Share options outstanding account

The reserve account is used to recognise the grant date fair value of options issued to employees under employee stock option plan, over the vesting period.

Foreign currency translation reserve

The Group's functional currency is Indian Rupees (₹). One of the Group's entity (PC Jeweller Global DMCC) prepares its financial statements in foreign currency and its respective financials are converted to Indian Rupees (₹) as per requirements of Ind AS 21 "The Effects of Changes in Foreign Exchange Rates" to enable the Parent Company to present its Consolidated Financial Statements as per the above mentioned requirements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 18: NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in crore)

	Interest rate	Maturity date	As at 31 March 2023	As at 31 March 2022	Remarks
Secured					
Vehicle loans			-	-	
Less: Current maturities of long term borrowings			-	-	
Total			-	-	

During the previous financial year ended 31 March 2022, all vehicle loans were closed due to prepayment of outstanding balance although the maturity was May 2024.

NOTE 19: PROVISIONS

(₹ in crore)

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Provision for employee benefits obligations (refer note 36)	4.09	2.65	4.45	2.40
	4.09	**2.65**	**4.45**	**2.40**

NOTE 20: CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in crore)

	Interest rate	Maturity date	As at 31 March 2023	As at 31 March 2022	Remarks
Secured (carried at amortised cost)					
From banks:					
Cash credit facilities	12.35% - 23.98%	Payable on demand	1,863.51	1,700.63	Refer note (ii) & (iii)
Funded interest term loans	11.59% - 19.64%	Payable on demand	105.31	99.97	Refer note (ii) & (iii)
Demand loans	11.77% - 22.77%	Payable on demand	1,452.65	1,291.24	Refer note (ii) & (iii)
Bank overdraft	13.35% - 16.40%	Payable on demand	204.62	186.56	Refer note (ii) & (iii)
Total			**3,626.09**	**3,278.40**	
Unsecured					
Loan from promoter of Parent Company	Interest free	Payable on demand	4.29	4.29	
Loan from others	Interest free	Payable on demand	-	0.04	
Total current financial liabilities-borrowings			**3,630.38**	**3,282.73**	

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(i) Details of period and amount of default in loan repayment as at year end:

Name of Bank	Interest/Pricipal*	As at 31 March, 2023		As at 31 March, 2022	
		Period of Default	(₹ in crore)	Period of Default	(₹ in crore)
State Bank of India	Principal/Interest	The delay in repayments ranging between 1 to 1095 days as on 31 March 2023	1,150.75	The delay in repayments ranging between 1 to 730 days as on 31 March 2022	1,060.07
Punjab National Bank	Principal/Interest		538.43		478.69
Union Bank of India (including erstwhile Corporation Bank)	Principal/Interest		588.50		530.00
Indian Bank (including erstwhile Allahabad Bank)	Principal/Interest		255.63		226.41
Bank of India	Principal/Interest		219.65		197.72
Indian Overseas Bank	Principal/Interest		220.52		194.01
IDBI Bank	Principal/Interest		106.36		95.59
Bank of Baroda	Principal/Interest		51.07		47.65
Axis Bank	Principal/Interest		56.14		51.45
IDFC First Bank	Principal/Interest		65.17		58.90
Canara Bank (including erstwhile Syndicate Bank)	Principal/Interest		186.63		167.20
KVB Bank	Principal/Interest		31.41		27.61
Kotak Mahindra Bank	Principal/Interest		130.15		120.34
IndusInd Bank	Principal/Interest		25.68		22.76
Total			**3,626.09**		**3,278.40**

*inclusive of interest provision calculated by the management as in (iii) below

(ii) Cash credit facilities, Funded interest term loans, demand loans and bank overdrafts are secured against first pari passu charge on current assets, property, plant and equipment and fixed deposits of the Parent Company. These loans are further fully secured by personal guarantees of promoter director and other individuals alongwith corporate guarantees and collateral securities of other companies.

(iii) The status of the Parent Company's borrowing accounts is 'Non Performing Assets' (NPA) with all the banks. Total exposure outstanding as on 31 March 2023 amounting to ₹ 3,626.09 crore includes provision for interest upto 31 March 2023 (the Parent 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 31 March 2023, whereas some of the banks have provided figures without applied interest. Therefore provision for unapplied interest for ₹ 248.90 crore for the year ended 31 March 2023 has been made as per the best estimates of the management. The quantum of finance cost as incorporated in the financials is to comply with the Ind AS 109. However the figures in relation to interest and other amounts shown in books of accounts and Balance Sheet pertaining to secured creditors/banks are disputed amounts and interest charged by the banks are not payable by Parent Company or its directors, as the same are also disputed. These figures or amounts are not an admission of any liability of any alleged debt of secured creditors/banks. The secured creditor/SBI has filed case no. 01/2023 before Debts Recovery Tribunal no.III, New Delhi, against the Parent Company which is disputed and also being contested by the Parent Company and its Directors/Alleged Guarantors/Corporate Guarantors. Further, the Parent Company has also filed claim for Rs 10,034 crores against SBI before Debts Recovery Tribunal no.III, New Delhi, as counter claim no. 01/2023 arising in relation to case no. 01/2023. It is also clarified that previous amounts/figures shown in the Balance Sheet for FY 2022-23, 2021-22 and 2020-21 are also in dispute as there has been breach of contract/agreement by the banks failure to adhere minutes of meeting in various JLM's between banks and Parent Company and the figures shown in Balance Sheet for FY 2022-23, 2021-22 and 2020-21 are disputed figures and cannot be termed as admission of any liability of any nature whatsoever in any court of law. The Parent Company has also treated ₹ 8.00 crore debited by lead bank on various occasions arbitrarily as disputed receivable.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 21: TRADE PAYABLES

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 44)	1.98	0.45
- Total outstanding dues of creditors other than micro enterprises and small enterprises*	15.41	15.92
	17.39	**16.37**

Trade payables aging schedule for the year ended as on 31 March 2022 and 31 March 2023

(₹ in crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due 31-03-2023 (31-03-2022)	Less than 1 year 31-03-2023 (31-03-2022)	1-2 Years 31-03-2023 (31-03-2022)	2-3 Years 31-03-2023 (31-03-2022)	More Than 3 years 31-03-2023 (31-03-2022)	31-03-2023 (31-03-2022)
1. MSME	-	1.97	-	0.01	-	**1.98**
	-	0.23	0.04	0.18	-	**0.45**
2. Others	-	3.71	0.06	11.45	0.19	**15.41**
	-	4.36	10.57	0.71	0.28	**15.92**
3. Disputed dues-MSME	-	-	-	-	-	**-**
	-	-	-	-	-	**-**
4. Disputed dues-Others	-	-	-	-	-	**-**
	-	-	-	-	-	**-**
Total	**-**	**5.68**	**0.06**	**11.46**	**0.19**	**17.39**
	-	**4.59**	**10.61**	**0.89**	**0.28**	**16.37**

NOTE 22: OTHER CURRENT FINANCIAL LIABILITIES

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Unpaid dividends*	0.07	0.09
Employee related payables	10.01	4.82
Others	42.54	33.98
	52.62	**38.89**

*Not due for deposit to the Investor Education and Protection Fund

NOTE 23: OTHER CURRENT LIABILITIES

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Advances received from customers	23.09	56.93
Deposits received from customers	-	7.06
Statutory dues payable	0.92	1.37
Others	26.82	11.45
	50.83	**76.81**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 24: CURRENT TAX LIABILITIES (NET)

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Provision for income-tax (net of prepaid taxes)	81.40	126.81
	81.40	**126.81**

NOTE 25: REVENUE FROM OPERATIONS

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products	2,472.68	1,606.13
	2,472.68	**1,606.13**

NOTE 26: OTHER INCOME

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Interest income on:		
fixed deposits with banks	1.21	1.70
loan to a body corporate	1.10	0.75
interest income on Income Tax Refund	0.03	-
other financial assets carried at amortised cost	3.27	2.94
Gain on investments measured at FVTPL	-	0.02
Net Profit on sale of property, plant and equipment	-	0.01
Gain on foreign currency transactions and translations	144.71	39.42
Liabilities written back	-	0.73
Gain on loss of controlling interest in Transforming Retail Private Limited	8.89	-
Other non-operating income	4.04	7.24
	163.25	**52.81**

NOTE 27: COST OF MATERIALS CONSUMED

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Raw material		
Balance at the beginning of the year	14.89	1.81
Add: purchases during the year	2,007.23	985.11
Less: balance at the end of the year	3.32	14.89
	2,018.80	**972.03**

NOTE 28: PURCHASES OF STOCK-IN-TRADE

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Purchases of stock-in-trade	202.34	143.89
	202.34	**143.89**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 29: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance		
Work-in-progress	1,939.10	1,951.57
Finished goods*	3,710.32	3,993.89
	5,649.42	**5,945.46**
Closing balance		
Work-in-progress	4,447.81	1,939.10
Finished goods*	1,334.15	3,710.32
	5,781.96	**5,649.42**
	(132.54)	**296.04**

*Includes stock-in-trade

NOTE 30: EMPLOYEE BENEFITS EXPENSE

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and wages	52.81	44.81
Contribution to provident and other funds	2.05	1.87
Staff welfare expenses	1.58	0.94
	56.44	**47.62**

NOTE 31: FINANCE COSTS

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense on financial liabilities at amortised cost#	469.26	408.95
Interest on late deposit of advance tax	9.47	9.92
Interest on lease liabilities	12.96	13.43
Other finance costs	0.31	5.08
	492.00	**437.38**

includes ₹ 0.00 crore (31 March 2022: ₹ 6.45 crore) as finance cost on gold on lease.

NOTE 32: DEPRECIATION AND AMORTISATION EXPENSES

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on property, plant and equipment	6.58	7.86
Amortisation of right-of-use assets	20.40	19.61
Amortisation of intangible assets	0.25	0.28
	27.23	**27.75**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 33: OTHER EXPENSES

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Advertisement and publicity	10.67	3.25
Labour charges	5.86	8.76
Hallmarking charges	1.01	0.60
Consumption of packing material	1.85	1.57
Rent (refer note 46)	5.37	4.67
Business promotion	1.48	0.66
Communication	1.21	1.10
Repairs and maintenance	4.98	4.60
Net loss on disposal of intangible assets	0.19	-
Discount and commission	1.14	1.21
Electricity and water	7.54	6.05
Vehicle running and maintenance	0.10	0.04
Insurance	0.90	0.79
Legal and professional (including payment to auditors) (refer note (a) below)	5.30	3.74
Rates and taxes	0.67	0.96
Printing and stationery	0.26	0.24
Security expenses	5.33	5.28
Travelling and conveyance	2.13	1.83
Expected credit loss on trade receivables	12.32	188.08
Loss on foreign currency transactions and translations	-	0.48
Bank charges	7.31	4.86
Expenditure on corporate social responsibility activities (refer note 47)	-	0.94
Miscellaneous expenses	3.97	2.30
Loans and advances written off	-	0.26
	79.59	**242.27**
(a) Payment to the auditors:		
- As auditors	0.34	0.19
- For other services (including limited reviews)	0.24	0.25
- For reimbursement of expenses	0.01	0.01
Total	**0.59**	**0.45**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 34: CURRENT TAX

(a) Income-tax expense through the statement of profit and loss

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current tax:		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	(56.28)	(18.93)
	(56.28)	**(18.93)**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	151.55	(98.11)
Total tax expense	**95.27**	**(117.04)**

(b) Income-tax on other comprehensive income

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Re-measurement of defined benefit obligations	(0.14)	(0.13)
Total tax expense recognised in other comprehensive income	**(0.14)**	**(0.13)**

(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in crore)

	Year ended 31 March 2023	Year ended 31 March 2022
Accounting profit before income-tax	(107.93)	(508.04)
Applicable Indian statutory income-tax rate	25.17%	25.17%
Prior period adjustments (refer note (a) below)	(56.28)	(18.93)
Effect of reversal of existing Deferred Tax Assets (refer note (d) below)	151.55	(98.11)
Effect of lower/(higher) tax rate on subsidiaries	-	-*
Income-tax expense reported in the statement of profit and loss	**95.27**	**(117.04)**

* rounded off to nil

Note:

(a) During the year ended 31 March 2023, the Parent Company has accounted income of ₹ 56.28 crore on account of reversal of outstanding provisions of Income-tax of ₹ 42.37 crore and ₹ 5.76 crore for the A.Y. 2020-21 and A.Y. 2021-22 respectively, and on account of booking income tax refund of ₹ 8.15 crore for the A.Y. 2020-21, pursuant to assessment orders received under section 143(3) of the Income-tax Act, 1961. The refund amount has been adjusted against outstanding demand of A.Y. 2018-19.

(b) During the previous year ended 31 March 2022, income tax refund of ₹ 18.93 crore has been accounted by the Parent Company pursuant to order of Income Tax Appellate Tribunal (ITAT) for previous assessment years. The same has been adjusted against the outstanding demand of A.Y. 2018-19.

(c) The Parent Company is following the option exercised for reduced tax rate permitted under section 115BAA of the Income-tax Act, 1961 for the financial year ended 31 March 2023 as introduced by the Taxation Laws (Amendment) Ordinance 2019.

(d) Considering the uncertainty w.r.t future taxable profits, the Parent Company has not recognised the Deferred tax assets (on net basis) during the year ended 31 March, 2023 in accordance with Ind AS-12. Further, the existing Deferred Tax Assets of ₹ 150.55 crores have also been derecognised during the year. The same shall be reviewed and reassessed in future period.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 35: EARNINGS PER SHARE

Particulars	Units	Year ended 31 March 2023	Year ended 31 March 2022
The numerators and denominators used to calculate the basic and diluted EPS are as follows:			
Net profit attributable to shareholders for basic/diluted earnings per share	₹ in crore	**(203.20)**	**(391.00)**
Weighted average number of equity shares for basic earnings per share	Nos.	**46,54,03,896**	**46,54,03,896**
Weighted average number of equity shares for diluted earnings per share	Nos.	**46,54,03,896**	**46,54,03,895**
Basic earnings per share	₹	(4.37)	(8.40)
Diluted earnings per share	₹	(4.37)	(8.40)

NOTE 36: EMPLOYEE BENEFITS

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Provision for gratuity	6.18	6.51
Provision for compensated absences	0.56	0.34
	6.74	**6.85**

The following tables summarise the components of net benefit expense recognised in the consolidated statement of profit and loss and the amount recognised in the consolidated balance sheet for the defined benefit plan.

(₹ in crore)

	Gratuity benefits	
	As at 31 March 2023	As at 31 March 2022
Change in the present value of the defined benefit obligation:		
Opening defined benefit obligation	6.51	6.62
Interest cost	0.37	0.38
Current service cost	0.75	0.80
Benefits paid	(0.83)	(0.76)
Actuarial (gains) on obligation	(0.57)	(0.53)
Other	(0.05)	-
Closing defined benefit obligation	**6.18**	**6.51**
Expense recognised in the statement of profit and loss:		
Current service cost	0.75	0.80
Interest cost	0.37	0.38
	1.12	**1.18**
(Income)/loss recognised in the other comprehensive income:		
Net actuarial loss/(gain) in the year	(0.57)	(0.53)
	(0.57)	**(0.53)**
Net expense recognised in the total comprehensive income	**0.55**	**0.65**
Breakup of actuarial (gain)/loss		
Actuarial (gain) arising from change in demographic assumption	Not applicable	Not applicable
Actuarial loss/(gain) arising from change in financial assumption	(0.26)	(0.08)
Actuarial gain arising from experience adjustment	(0.31)	(0.45)
	(0.57)	**(0.53)**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Actuarial assumptions used

	As at 31 March 2023	As at 31 March 2022
Discount rate	5.75%-7.00%	5.75%-7.00%
Long-term rate of compensation increase	5.00%	5.00%
Average remaining life in years	25.00-26.10	25.00-26.10

Demographic assumptions used

	As at 31 March 2023	As at 31 March 2022
Mortality table	IALM(2012-14)	IALM(2012-14)
Retirement age	60 years	60 years
Average remaining life	25.00-26.10	25.00-26.10

These assumptions were developed by the management of the Group with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the average life expectancy. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability:

(₹ in crore)

	As at 31 March 2023		As at 31 March 2022	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate				
(Decrease)/ increase in the defined benefit liability	(0.15)	0.16	(0.17)	0.18
Salary growth rate				
Increase/ (decrease) in the defined benefit liability	0.14	(0.13)	0.16	(0.15)
Average life expectancy				
Increase/ (decrease) in the defined benefit liability	negligible	negligible	negligible	negligible

The present value of the defined benefit obligation is calculated as mentioned in note 3(p). The sensitivity analysis is based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another since some of the assumptions may be co-related.

Based on historical data, the Group expects contributions of ₹ 1.03 crore (31 March 2022 : ₹ 1.15 crore) in the next 12 months.

Amounts for the current and previous four years are as follows:

(₹ in crore)

	2022-23	2021-22	2020-21	2019-20	2018-19
Defined benefit obligations	6.18	6.51	6.62	7.04	7.26
Experience gain/(loss) adjustments on planned liabilities	0.31	0.45	1.15	0.43	0.65

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Compensated absences

The leave obligations cover the Parent Company's liability for sick and earned leaves. The Parent Company does not have an unconditional right to defer settlement for the obligation shown as current provision balance. However, based on past experience, the Parent Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Therefore, based on the independent actuarial report, provision for compensated absences has been bifurcated as current and non-current.

Actuarial assumptions used

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	5.75%-7.00%	5.75%-7.00%
Expected salary escalation rate	5.00%	5.00%

Defined contribution plans

The Group has certain defined contribution plans. In case of companies included in the Group which are incorporated in India, contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Group is limited to the amount contributed and it has no further contractual or any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 1.47 crore (31 March 2022 :₹1.37 crore). There are no amounts outstanding of post employment benefits, other long-term benefits and share based payment for the current and previous year.

NOTE 37: EMPLOYEE STOCK OPTION PLAN

PC Jeweller Limited Employee Stock Option Plan 2011

During the year ended 31 March 2012, the Parent Company had formulated Employee Stock Option Scheme referred to as PC Jeweller Limited Employee Stock Option Plan 2011 (the 'Plan') for all eligible employees/directors of the Group.

The plan is implemented by the Nomination and Remuneration Committee constituted by the Parent Company under the policy and framework laid down by the Parent Company and/or the Board of Directors of the Parent Company, in accordance with the authority delegated to the Nomination and Remuneration Committee in this regard from time to time and subject to the amendments, modifications and alterations to the plan made by the Parent Company and/or the Board of Directors in this regard. The issuance of the options are under the guidance, advice and directions of the Nomination and Remuneration Committee.

Each stock option granted entitles the grantee thereof to apply for and be allotted one equity share of the Parent Company upon vesting. Vesting of the options shall take place over a period of 4 years with a minimum vesting period of 1 year from the grant date.

(a) The vesting schedule is set forth as follows:

Vesting	Number of months from the date of grant of options	Percentage of options vested	Cumulative percentage of options vested
1	12	10	10
2	24	20	30
3	36	30	60
4	48	40	100

The options granted shall vest so long as the employee continues to be in employment with the Group, i.e., the options will lapse if the employment is terminated prior to vesting. Even after the options are vested, un-exercised options may be forfeited if the services of the employee are terminated for reasons specified in the Plan.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(b) Set out below is a summary of options granted under the Plan:

	31 March 2023		31 March 2022	
	Average exercise price per share	Number of options	Average exercise price per share	Number of options
Balance at the beginning of the year	**10.00**	**5,17,116**	**10.00**	**5,54,524**
Options granted during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options lapsed/forfeited during the year	-	-	10.00	37,408
Balance at the end of the year	**10.00**	**5,17,116**	**10.00**	**5,17,116**
Vested and exercisable	10.00	5,17,116	10.00	5,17,116

(c) Exercise price and expiry dates of share options outstanding at the end of the year:

Grant date	Weighted average remaining contractual life of options outstanding as on		Expiry date	Average exercise price per share	Total share options granted	Share options outstanding as on 31 March 2023	Share options outstanding as on 31 March 2022
	31 March 2023	31 March 2022					
14 May 2015	0.12	1.12	13 May 2023	10.00	7,26,300	2,35,000	2,35,000
25 May 2017	2.16	3.16	24 May 2025	10.00	50,000	-	-
01 August 2017	2.34	3.34	31 July 2025	10.00	1,00,000	-	-
19 January 2018	2.81	3.81	18 January 2026	10.00	8,82,537	2,82,116	2,82,116
Total						**5,17,116**	**5,17,116**

(d) The fair value of the options granted has been calculated on the date of grant using Black Scholes option pricing model with the following assumptions:

(i)	Grant date	14 May 2015	25 May 2017	01 August 2017	19 January 2018
(ii)	Expiry date	13 May 2023	24 May 2025	31 July 2025	18 January 2026
(iii)	Fair value of options granted (per share)	₹ 318.22	₹ 393.99	₹ 231.55	₹ 536.47
(iv)	Exercise price	₹ 10	₹ 10	₹ 10	₹ 10
(v)	Share price at grant date	₹ 328.50	₹ 452.60	₹ 251.75	₹ 587.35
(vi)	Weighted historical volatility (%)	52.61	52.82	52.48	51.85
(vii)	Time to maturity-years	8 years	8 years	8 years	8 years
(viii)	Expected dividend yield (%)	0.71	1.23	1.23	1.23
(ix)	Risk free interest rate (%)	7.97- 8.04	6.82- 7.09	6.50- 6.83	7.26- 7.37

The volatility used in the Black Scholes Option Pricing Model is the annualized standard deviation of the continuously compounded rate of return of the stock over a period of time. Informal tests and preliminary research tends to confirm that estimates of the expected long-term future volatility should be based on historical volatility for a period that approximates the expected life of the options being valued. The Parent Company was listed on BSE Limited and National Stock Exchange of India Limited on 27 December 2012. The volatility is determined by taking into account the period since the listing of the Parent Company.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 38: RELATED PARTY TRANSACTIONS:

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", name of the related parties, related party relationships, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

List of related parties

Relationship	Name of the related party
Key management personnel (KMP)	Mr. Balram Garg (Promoter and Managing Director)*
	Mr. Sanjeev Bhatia (Chief Financial Officer)
	Mr. Vijay Panwar (Company Secretary)
Directors	Mr. Ramesh Kumar Sharma (Executive Director)
	Mr. Krishan Kumar Khurana (Independent Director)
	Mr. Manohar Lal Singla (Independent Director)
	Mr. Miyar Ramanath Nayak (Independent Director)
	Mrs. Sannovanda Machaiah Swathi (Independent Director)
	Mr. Suresh Kumar Jain (Independent Director)

** Also refer note 15(d) for parties with more than 5% voting rights*

Details of transaction between the Group and its related parties are disclosed below:

(₹ in crore)

Particulars	Key management personnel/ Director and their relatives		Entities where significant influence is exercised by KMP/Director and/or their relatives having transactions with the Group	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Remuneration paid				
Mr. Sanjeev Bhatia	0.40	0.40	-	-
Mr. Vijay Panwar	0.41	0.40	-	-
Mr. Ramesh Kumar Sharma	0.40	0.40	-	-
	1.21	**1.20**	**-**	**-**
Advances Written off				
Mr. Sanjeev Bhatia	0.48	-	-	-
Mr. Vijay Panwar	0.15	-	-	-
Mr. Ramesh Kumar Sharma	0.50	-	-	-
	1.13	**-**	**-**	**-**
Sitting fees paid				
Mr. Krishan Kumar Khurana	0.03	0.03	-	-
Mr. Miyar Ramanath Nayak	0.02	0.01		
Mr. Manohar Lal Singla	0.02	0.03		
Mrs. Sannovanda Machaiah Swathi	0.01	0.01		
Mr. Suresh Kumar Jain	0.01	0.01	-	-
	0.09	**0.09**	**-**	**-**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(₹ in crore)

Particulars	Key management personnel/ Director and their relatives		Entities where significant influence is exercised by KMP/Director and/or their relatives having transactions with the Group	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Adjustment towards rent				
Mr. Balram Garg	-	0.06	-	-
	-	**0.06**	**-**	**-**
Adjustment towards loan				
Mr. Balram Garg	-	0.08	-	-
	-	**0.08**	**-**	**-**
Rent paid				
Mr. Balram Garg	0.01	0.03	-	-
	0.01	**0.03**	**-**	**-**
Balance outstanding at the year end				
Loan outstanding				
Mr. Balram Garg	4.29	4.29	-	-
	4.29	**4.29**	**-**	**-**
Rent Payable				
Mr. Balram Garg	0.01	-	-	-
	0.01	**-**	**-**	**-**
Remuneration payable				
Mr. Sanjeev Bhatia	0.09	0.03	-	-
Mr. Vijay Panwar	0.10	0.03	-	-
Mr. Ramesh Kumar Sharma	0.09	0.03	-	-
	0.28	**0.09**	**-**	**-**
Sitting fees payable				
Mr. Krishan Kumar Khurana	0.05	0.02	-	-
Mr. Miyar Ramanath Nayak	0.04	0.02	-	-
Mr. Manohar Lal Singla	0.05	0.03	-	-
Mrs. Sannovanda Machaiah Swathi	0.01	-	-	-
Mr. Suresh Kumar Jain	0.01	-*	-	-
	0.16	**0.07**	**-**	**-**
Advances recoverable				
Mr. Sanjeev Bhatia	-	0.48	-	-
Mr. Vijay Panwar	-	0.15	-	-
Mr. Ramesh Kumar Sharma	-	0.50	-	-
	-	**1.13**	**-**	**-**

* Rounded off to nil

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Note 39: Segment reporting

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

Note 40: Hedging activity and derivatives

(i) The Group enters into foreign currency forward contracts to hedge against the foreign currency risk relating to payment of foreign currency payables. The Group does not apply hedge accounting on such relationships. Further, the Group does not enter into any derivative transactions for speculative purposes.

Fair value hedge of gold price risk in inventory

The Group enters into contracts to purchase gold wherein the Group has the option to fix the purchase price based on market price of gold during a stipulated time period. The prices are linked to gold prices. Accordingly, these contracts are considered to have an embedded derivative that is required to be separated. Such feature is kept to hedge against exposure in the value of inventory of gold due to volatility in gold prices. The Group designates the embedded derivative in the payable for such purchases as the hedging instrument in fair value hedging of inventory. The Group designates only the spot-to-spot movement of the gold inventory as the hedged risk. The carrying value of inventory is accordingly adjusted for the effective portion of change in fair value of hedging instrument. There is no ineffectiveness in the relationships designated by the Group for hedge accounting.

Disclosure of effects of fair value hedge accounting on financial position:

Hedged item - Changes in fair value of inventory attributable to change in gold prices

Hedging instrument - Changes in fair value of the option to fix prices of gold purchases, as described above

Since there are no outstanding hedging instruments i.e. option to fix gold prices with respect to fair value hedge accounting as at 31 March 2023 and 31 March 2022, there is no impact of change in fair value of the hedged item i.e. inventory of gold.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness. There was no hedge ineffectiveness in any of the periods presented above.

Note 41: Financial instruments

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates;

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in crore)

	Level 1	Level 2	Level 3	Total
As at 31 March 2023				
Financial assets				
Investments at fair value through profit or loss				
Mutual funds	2.47	-	-	**2.47**
Derivative instruments				
Option to fix prices of gold in purchase contracts	-	-	-	-
Total financial assets	**2.47**	-	-	**2.47**
Financial liabilities				
Derivative instruments				
Forward contracts	-	-	-	-
Total financial liabilities	**-**	**-**	**-**	**-**
As at 31 March 2022				
Financial assets				
Investments at fair value through profit or loss				
Mutual funds	2.74	-	-	**2.74**
Derivative instruments				
Option to fix prices of gold in purchase contracts	-	-	-	-
Total financial assets	**2.74**	**-**	**-**	**2.74**
Financial liabilities				
Derivative instruments				
Forward contracts	-	-	-	-
Total financial liabilities	**-**	**-**	**-**	**-**

(ii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

(a) The use of quoted market prices for investments in mutual funds.

(b) Use of market available inputs such as gold prices and foreign exchange rates for option to fix prices of gold in purchase contracts and foreign currency forward contracts.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 42: FINANCIAL RISK MANAGEMENT

i) Financial instruments by category

(₹ in crore)

Particulars	31 March 2023		31 March 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments				
- mutual funds	2.47	-	2.74	-
Loans to body corporates	-	11.98	-	11.86
Trade receivables	-	429.83	-	1,433.87
Security deposits	-	-	-	28.32
Cash and cash equivalents	-	41.90	-	23.38
Other receivables	-	-	-	0.02
Unclaimed dividend account	-	0.07	-	0.09
Bank deposits	-	1.11	-	36.94
Total	**2.47**	**484.89**	**2.74**	**1,534.48**
Financial liabilities				
Borrowings	-	3,630.38	-	3,282.73
Trade payables	-	17.39	-	16.37
Lease liabilities	-	76.31	-	107.88
Derivative financial liabilities	-	-	-	-
Other financial liabilities	-	52.62	-	38.89
Total	**-**	**3,776.70**	**-**	**3,445.87**

The carrying value of trade receivables, securities deposits, insurance claim receivable, loans given, cash and bank balances and other financial assets recorded at amortised cost, is considered to be a reasonable approximation of fair value.

The carrying value of borrowings, trade payables and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

ii) Risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements:

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade Receivables	Ageing analysis and impairment testing	The Group has old and existing relationship with its debtors and continues to remain confident of realizing the same in due course of time. The Group has therefore not classified any of its pending debt as bad or irrecoverable. However, at the same time, as a mark of adequate financial prudence, the Group has during the current financial year made provision in the form of ECL to the tune of ₹ 12.32 crore and the total provision till date has increased to ₹ 263.96 crores.
Liquidity risk	Operational expenditure, vendor payments, bank interest & other statutory liabilities	Cash flow forecasts	The Parent Company is locked in a legal dispute with its Lenders and currently has a lot of restrictions on its normal banking transactions. It is therefore facing liquidity constraints in meeting its operational expenditure, vendor payments and other statutory liabilities. The Parent Company is managing its liquidity by cost cutting and rationalising its expenses under all heads. It has already shut down 12 stores as a part of cost cutting and will be taking more such steps in due course.
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting sensitivity analysis	The Group is a net foreign exchange positive unit and hence does not foresee any forex risk on its financials.
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	The Parent Company is not paying any interest on its borrowings at present on account of on going litigation. It has also raised dispute on the matter of interest rates being charged by its Lenders in legal fora and is seeking a refund of the interest paid earlier. The matter is currently sub judice.
Market risk - security price	Investments in mutual funds	Sensitivity analysis	The Group's investments in mutual funds is non material vis a vis its balance sheet size.
Market risk - gold prices	Payables linked to gold prices	Sensitivity analysis	The Group deals in gold jewellery wherein its sales are also linked with gold prices and hence does not foresee any market risk linked with gold prices.

The Group's board has approved a comprehensive Risk Management Policy as well as Forex & Commodity Risk Management Policy. Taken together these two policies cover nearly the entire gamut of the Group's operations.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

A) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Group causing financial loss. It arises from outstanding trade receivables to whom the Group has either made direct sales or sent the goods on consignment.

However, the majority of Group's sales are in the domestic segment in which no credit is involved. The credit risk arises only from the export sales which are on a B2B basis and on a credit basis. Though the receivable realization used to be on time, for the past four years there have been overdues and currently the entire lot of outstanding export receivables are overdue.

The Group however, has old and existing relationship with its debtors and continues to remain confident of realizing the same in due course of time. The Group has therefore not classified any of its outstanding debt as bad or unrecoverable. However, at the same time, as a mark of adequate financial prudence, the Group has during the current financial year made provision in the form of ECL to the tune of ₹ 12.32 crore, with the total amount of ECl at ₹ 263.96 cr as on 31 March 2023.

Detail of trade receivables that are past due is given below:

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Not due	32.09	12.56
0-30 days past due	0.29	191.49
31-60 days past due	0.00*	12.72
61-90 days past due	0.32	0.10
More than 90 days past due	1,816.37	1,468.64
Expected credit loss (loss allowance provision)	(263.96)	(251.64)
	1,585.11	**1,433.87**

* Rounded off to nil

Reconciliation of loss allowance provision from beginning to end of reporting period:

(₹ in crore)

	Trade receivables
Loss allowance on 1 April 2021	63.56
Loss allowance created during the year	188.08
Loss allowance as on 31 March 2022	**251.64**
Loss allowance created during the year	12.32
Loss allowance as on 31 March 2023	**263.96**

Concentration of financial assets

Concentration of credit risk with respect to trade receivables are limited, due to the Group's consumer base being large and diverse.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

The Group's exposure to credit risk for trade receivables is presented below:

(₹ in crore)

	As at 31 March 2023	As at 31 March 2022
Concentration of trade receivables*		
Export wholesale customers	1,551.14	1,418.91
Domestic wholesale customers	7.28	1.72
Franchise stores	26.20	13.10
Others	0.49	0.14
	1,585.11	**1,433.87**

*Net of expected credit loss amounting to ₹ 263.96 crore (31 March 2022 : ₹ 251.64 crore)

B) Liquidity risk

The liquidity risk management involves adjusting the operational expenditure, vendor payments, bank interest & other statutory liabilities etc with the incoming cash flows. The Parent Company is however, currently facing a lot of liquidity constraints on account of restrictions on its banking transactions leading to delays in business related payments as well as statutory liabilities.

Contractual maturities of financial liabilities

The tables below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

(₹ in crore)

31 March 2023	Payable on demand	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives						
Borrowings (including interest)	3,630.38	-	-	-	-	3,630.38
Trade payables	-	17.39	-	-	-	17.39
Other financial liabilities	0.07	52.55	-	-	-	52.62
Lease liabilities (including interest)	-	30.58	25.92	22.94	53.84	133.28
Total	**3,630.45**	**100.52**	**25.92**	**22.94**	**53.84**	**3,833.67**

(₹ in crore)

31 March 2022	Payable on demand	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives						
Borrowings (including interest)	3,282.73	-	-	-	-	3,282.73
Trade payables	-	16.37	-	-	-	16.37
Other financial liabilities	0.09	38.80	-	-	-	38.89
Lease liability	-	33.33	28.67	24.30	62.50	148.80
Total	**3,282.82**	**88.50**	**28.67**	**24.30**	**62.50**	**3,486.79**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

C) Market risk - foreign exchange

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Group's functional currency. However, the Group is a net foreign exchange positive unit and hence does not foresee any forex risk on its financials.

Sensitivity

The sensitivity to profit or loss from changes in the exchange rates arises mainly from financial instruments denominated in USD. In case of a reasonably possible change in INR/USD exchange rates of +/- 4 % (previous year +/-4%) at the reporting date, keeping all other variables constant, there would have been corresponding impact on losses/profits of ₹ 54.00 crore (previous year ₹ 55.16 crore).

D) Market risk - interest rate

i) Liabilities

Currently the Parent Company is under legal dispute with its lenders and the issue of quantum of interest payable, if any, and at what rate is subject to future judicial judgement.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

(₹ in crore)

Particulars	31 March 2023	31 March 2022
Variable rate borrowing	3,626.09	3,278.40
Fixed rate borrowing	4.29	4.33
Total borrowings	**3,630.38**	**3,282.73**

Sensitivity

The sensitivity to profit or loss in case of a reasonably possible change in interest rates of +/- 50 basis points (previous year: +/- 50 basis points), keeping all other variables constant, would have resulted in corresponding impact on losses/profits by ₹ 13.90 crore (previous year ₹ 12.62 crore).

However, the Parent Company is under legal dispute with its Lenders and the issue of quantum of interest payable, if any, and at what rate is subject to future judicial judgement.

ii) Assets

The Group's financial assets are carried at amortised cost and are at fixed rate only. They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

E) Market risk - security price

Exposure from investments in mutual funds:

The Group's exposure to price risk arises from investments in mutual funds held by the Group and classified in the balance sheet as current investments. However, the Group's investments in mutual funds is non material vis a vis its balance sheet size.

Sensitivity:

The sensitivity to profit or loss in case of an increase in price of the instrument by 5% keeping all other variables constant would have resulted in corresponding impact on (losses)/profits by ₹ 0.08 crore (previous year ₹ 0.10 crore).

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

F) Market risk - gold prices

The Group's exposure to price risk also arises from trade payables of the Group that are at unfixed prices, and, therefore, payment is sensitive to changes in gold prices. However, the Group does not have any unfixed trade payables as on 31 March 2023. Hence, there is no market risk linked to gold prices.

NOTE 43: CAPITAL MANAGEMENT

The Group' s capital management objectives are:

- to ensure the Group's ability to continue as a going concern

- to provide an adequate return to shareholders

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

(₹ in crore)

(a)	Particulars	31 March 2023	31 March 2022
	Current borrowings (refer note 20)*	3,630.38	3,282.73
	Less: Cash and cash equivalents (refer note 14)	(41.90)	(23.38)
	Net debts	**3,588.48**	**3,259.33**
	Equity share capital (refer note 16)	465.40	465.40
	Other equity (refer note 17)	3,225.15	3,423.33
	Total capital	**3,690.56**	**3,888.73**
	Gearing ratio	**97.23%**	**83.81%**

*This total exposure includes provision for interest upto 31st March 2023, and the Parent Company has disputed the above amounts in various legal fora including DRT/DRAT and various courts as referred in Note-20 and Note-50.

NOTE 44: MICRO, SMALL AND MEDIUM ENTERPRISES

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 as at the balance sheet date is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Group.

(₹ in crore)

	Particulars	31 March 2023	31 March 2022
(a)	Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:		
	Principal amount due to micro and small enterprises	1.85	0.16
	Interest due on above	0.13	0.29
(b)	The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.13	0.29
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	0.13	0.29

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

NOTE 45: CONTINGENT LIABILITY

(₹ in crore)

		As at 31 March 2023	As at 31 March 2022
a)	Claims against the Group not acknowledged as debts*#	0.54	1.01
b)	Demand from the income-tax authorities*	0.19	0.19
c)	Demands from the Custom authorities against which appeals have been filed (amounts paid under protest ₹ 2.43 crore)	5.12	2.43
d)	Demands from the sales tax authorities against which appeals have been filed*	8.24	8.24

**Excluding interest, if any, which is not ascertainable*

#The Group has furnished bank guarantees amounting to ₹ 0.46 crore for ongoing litigations

NOTE 46: LEASES

The Group's lease assets primarily consist of leases for buildings for showrooms and offices having various lease terms.

i) Lease liabilities are presented in the statement of financial position as follows:

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Current	29.70	30.11
Non-current	76.31	77.77
Total	**106.01**	**107.88**

The lease liabilities are secured by the related underlying assets. The maturity analysis of lease liabilities are disclosed in note 42(ii)(B).

The Group has leases for the factory, showrooms and offices. With the exception of short-term leases and leases with variable lease payments, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security against the Group's other debts and liabilities. For leases over office buildings and factory premises the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

The Group has considered automatic extension option available for the property leases in lease period assessment since the Group can enforce its right to extend the lease beyond the initial lease period as the Group is likely to be benefited by exercising the extension option.

ii) The recognised right-of-use assets relate to the retail outlets and other marketing offices as at 31 March 2023.

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Right-of-use assets- retail outlets and other marketing offices		
Balance as on begining of the year	80.61	92.95
Add: Additions on account of new leases entered during the year	22.21	11.09
Less: Termination/ modifications	0.43	3.82
Less: Amortisation expense charged on the right-of-use assets	20.40	19.61
Balance at the end of the year	**81.99**	**80.61**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

iii) The following are amounts recognised in the statement of profit and loss:

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Amortisation expense of right-of-use assets	20.40	19.61
Interest expense on lease liabilities	12.96	13.43
Rent expense	5.37	4.67
Total	**38.73**	**37.71**

iv) Lease payments not recognised as a liability

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Expenses relating to short term leases (included in other expenses)	2.81	2.42
Expenses relating to variable lease payments not included in lease payments	0.05	0.20
Total	**2.86**	**2.62**

v) At 31 March 2023, the Group was committed to short-term leases and the total commitment at that date was ₹ 0.05 crore.

vi) Total cash outflow for leases for the year ended 31 March 2023 was ₹ 27.24 crore.

vii) The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use asset	No of right-of-use assets leased	Range of remaining term (in years)	Average remaining lease term (in years)
Retail outlets and other marketing offices	65	1-9	3.35

The Group has a right to extend/terminate its leasing arrangements beyond the initial agreement/lock in period. For the assessment of lease term as per Ind AS 116, the management of the Group has considered the extension options and not considered the early termination options wherever available for its property leases in its lease period assessment since the Group is likely to be benefited from a longer lease tenure.

viii) During the year ended 31 March 2023, the Parent Company has renegotiated with certain landlords on rent reduction/waiver due to Covid-19 pandemic. The management believes that such reduction/waiver in rent is short term in nature and meets the conditions in accordance with the notification dated July 24, 2020 issued by the Central Government in consultation with National Financial Reporting Authority as per Companies (Indian Accounting Standards) Amendment Rules, 2020 effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Parent Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification. Accordingly, the Parent Company has recognized ₹ 2.53 crores in the Statement of Profit and Loss as "Other income" during the year ended 31 March 2023.

NOTE 47: CORPORATE SOCIAL RESPONSIBILITY

(₹ in crore)

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	Amount required to be spent by the Parent Company during the year	0.03	0.94
(ii)	Amount of expenditure incurred	-	-
(iii)	Shortfall at the end of the year	0.03	0.94
(iv)	Total of previous years shortfall	7.31	6.37
(v)	Reasons for shortfall	Refer note below	Refer note below
(vi)	Nature of CSR activities	-	-
(vii)	Details of related party transactions e.g. Contribution to a trust controlled by the Parent Company in relation to CSR expenditure as per relevant accounting standards	-	-
(viii)	Where a provision is made with respect to a liabilty incurred by entering into a contractual obligation, the movement in the provision	-	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

'Note: The Parent Company was not required to spend any amount towards CSR activities for FY 2022-23. The shortfall in CSR expenditure relates to FY 2021-22 and FY 2020-2021 caused by strained liquidity position of the company after March 2020 on account of lockdowns and disruptions in business due to COVID-19 pandemic as well as the Company's accounts turning non-performing asset since June 2021 with its bankers resulting into highly restricted banking transactions. The liquidity position of the Company further deteriorated during the year as some of the banks have issued recall notices to the Company and State Bank of India ("SBI") moved to Debt Recovery Tribunal. In response to SBI application, the Company filed an appeal with Debt Recovery Appellate Tribunal and the matter is currently sub-judice. However, the Company has made provision for CSR expense for both the years in its accounts and is committed to meeting the necessary compliances as per the law post resolution of the above said issues.

One of the subsidiary company namely Luxury Products Trendsetter Private Limited could not identify any suitable project/program for the purpose which resulted in current year shortfall of ₹ 0.03 crores.

NOTE 48: RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES PURSUANT TO IND AS -7 CASH FLOWS

The changes of the Group's liabilities arising from financing activities can be classified as follows:

(₹ in crore)

Particulars	Long term borrowings	Short term borrowings	Equity share capital	Lease liabilities	Total
Net debt as at 01 April 2021	**0.42**	**2,293.85**	**465.40**	**120.01**	**2,879.68**
Proceeds from allotment of employee stock options	-	-	-	-	**-**
New leases	-	-	-	10.66	**10.66**
Termination/modification of leases	-	-	-	(7.67)	**(7.67)**
Repayment of non-current borrowings (net)	(0.42)	-	-	-	**(0.42)**
Payment of lease liabilities	-	-	-	(28.55)	**(28.55)**
Payment of interest on lease liabilities	-	-	-	13.43	**13.43**
Proceeds of short term borrowings (net)	-	1,140.10	-	-	**1,140.10**
Loan/interest paid	-	(151.22)	-	-	**(151.22)**
Preferential allotment of Equity Shares	-	-	-	-	**-**
Net debt as at 31 March 2022	**-**	**3,282.73**	**465.40**	**107.88**	**3,856.01**
Proceeds from allotment of employee stock options	-	-	-	-	**-**
New leases	-	-	-	24.68	**24.68**
Termination/modification of leases	-	-	-	(5.71)	**(5.71)**
Repayment of non-current borrowings (net)	-	-	-	-	**-**
Payment of lease liabilities	-	-	-	(33.80)	**(33.80)**
Payment of interest on lease liabilities	-	-	-	12.96	**12.96**
Proceeds of short term borrowings (net)	-	462.36	-	-	**462.36**
Loan/interest paid	-	(114.71)	-	-	**(114.71)**
Preferential allotment of Equity Shares	-	-	-	-	**-**
Net debt as at 31 March 2023	**-**	**3,630.38**	**465.40**	**106.01**	**4,201.79**

NOTE 49: IND AS 115 - REVENUE FROM CONTRACTS WITH CUSTOMERS

Ind AS 115: Revenue from Contracts with Customers, establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

(i) Identify the contract(s) with customer;

(ii) Identify separate performance obligations in the contract;

(iii) Determine the transaction price;

(iv) Allocate the transaction price to the performance obligations; and

(v) Recognise revenue when a performance obligation is satisfied.

(a) Disaggregation of revenue

The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography.

(₹ in crore)

Revenue from operations	Year ended 31 March 2023	Year ended 31 March 2022
Revenue by geography		
Export	-	196.78
Domestic	2,472.68	1,409.35
Total	**2,472.68**	**1,606.13**

(b) Assets and liabilities related to contracts with customers

(₹ in crore)

Description	Year ended 31 March 2023	Year ended 31 March 2022
Contract liabilities related to sale of goods		
Advance from customers	23.09	56.93

(c) Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price

(₹ in crore)

Description	Year ended 31 March 2023	Year ended 31 March 2022
Contract price	2,475.48	1,609.89
Less: Discount, rebates, credits etc.	2.80	3.76
Revenue from operations as per Statement of Profit and Loss	**2,472.68**	**1,606.13**

NOTE 50: EXISTENCE OF UNCERTAINTY CASTING SIGNIFICANT DOUBT ON THE PARENT COMPANY'S ABILITY TO CONTINUE AS A GOING CONCERN

Parent Company's accounts have been classified as NPA with its lenders since June 2021 and its resolution process had been underway. As a part of the laid down process, after the resolution plan submitted by the Parent Company was found to be feasible on both technical & economic parameters and the same was forwarded to two rating agencies for necessary ICE exercise. In this regard, one of the rating agency did not accord the required minimum RP4 rating to the Plan and therefore, the resolution plan of the Parent Company could not be taken forward. Though the Parent Company presented an improved Resolution Plan to the Consortium , the Lead Bank (State Bank of India) moved to the DRT Delhi on 18 January 2023 against the Parent Company seeking full recovery of its outstanding exposure. In response, the Parent Company has gone into appeal against the same in DRAT. Meanwhile some of the

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

other Consortium member banks have also filed their recovery suit in the DRT against the Parent Company. This matter is currently sub-judice with arguments and counter arguments continuing from both sides. This rejection of resolution plan in relation to Parent Company's borrowing exposure, Order of DRT for initiation of full recovery proceedings on application of lead bank SBI and issuance of recall notices by the lenders as well as initiation of legal action by some more lenders, may affect the goodwill and brand image of the Parent Company and these events indicates that a material uncertainity exist that may cast significant doubt on the ability of the Parent Company to continue as going concern.

The Parent Company , in addition to replying suitably to the Banks, has also approached the High Court of Delhi against the SBI stating that there is a non compliance of the Principle of Natural Justice in as much as the petitioners (PCJ) were not given any opportunity to explain its case after 02 January 2023 and unilateral decision has been taken by the respondent (SBI). HC has accepted the Parent Company's prayer and issued a notice to the respondent, which has been accepted by the learned counsel of the respondent. Parent Company has also filed a counter claim against the SBI in DRT seeking damages on account of loss in revenue, decline in market cap, loss of reputation, status and goodwill on account of unilateral action taken by it against the Parent Company. This appeal has also been accepted by the hon'able court. Though there is no certainty either on the time frame or the end result of this ongoing judicial process , the Parent Company continues to remain confident about a positive outcome of the same and is taking appropriate steps to ensure that its status as a going concern remains intact in spite of the current adversities.The Management is confident that it will be able to realize its assets and meet its liabilities and commitments in the normal course of business considering the net assets position of the Parent Company irrespective of the final conclusion of decision in the ongoing legal process. Hence the current position of the events does not raise any concern on its going concern status. In view of the above the management is confident that the Parent Company will continue as a going concern and accordingly, the accompanying statement has been prepared considering Going concern assumption.

NOTE 51: DISCOUNT TO EXPORT CUSTOMERS

(a) 'During the financial year ended 31 March 2019, the Holding Company had provided discounts to its export customers aggregating to ₹ 513.65 crore and had submitted the requisite applications for approval from the Authorised Dealer Banks as stipulated by the Master Circular on Exports of Goods and Services - Master Circular No.14/2015-16 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 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.

(b) During the financial year ended 31 March 2020, one of the subsidiary company, PC Universal Private Limited, had provided discounts to its export customers aggregating to ₹ 4.75 crore. Subsequently, the subsidiary company 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.14/2015-16 under the Foreign Exchange Management Act, 1999. During the previous year ended 31 March 2021, the subsidiary company has obtained the approvals from the authorized dealer banks for reduction in receivables corresponding to discounts amounting to ₹ 4.75 crore.

NOTE 52: DELAY IN RECEIPT OF FOREIGN CURRENCY AGAINST EXPORT

(a) Trade receivables as at 31 March 2023, inter alia, include outstanding from export customers of Holding Company, aggregating to ₹ 1707.27 crore, without considering provision for expected credit loss. These have been outstanding for more than 9 months restated as per the RBI exchange rate as on 31 March 2023. The original amount of exports booked stands at ₹ 1467.53 crore. The Holding Company has filed necessary applications with the requisite authority as per the regulations of the Foreign Exchange Management Act, 1999 for condonation of delays in repatriation of funds by its customers. The management is of the view that the possible penalties that may be levied, are currently unascertainable but would not be material and accordingly, no consequential adjustments have been made in the books of accounts with respect to such default. The management has made expected credit loss

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

(ECL) provision of ₹ 11.96 crore in addition to existing provisions in respect of these overdue receivables in compliance with Ind AS 109 'Financial Instruments'.

(b) Trade receivables as at 31 March 2023, inter alia, include outstanding from export customers of PC Universal Private Limited , one of the subsidiary company, there is a delay in the receipt of proceeds denominated in foreign currency against export made by the subsidiary company to its overseas customers aggregating to ₹ 107.83 crore as on 31 March 2023 beyond the timelines stipulated under Foreign Exchange Management Act, 1999. The subsidiary has filed necessary applications with the requisite authority as per the regulations of the Foreign Exchange Management Act, 1999 for condonation of delays in repartriation of funds by its customers. The management is of the view that the possible penalties that may be levied, are currently unascertainable but would not be material and accordingly, no consequential adjustments have been made in the books of accounts with respect to such default.

NOTE 53: DISSOLUTION OF SUBSIDIARY

With effect from April 05, 2021 one of the subsidiary, M/s Comercializadora Internacional PC Jeweller International S.A.S., ceased to exist as the company had entered into settlement in its country of incorporation. Commercial Licence was surrendered on 19 November 2019 and the subsidiary had applied to DIAN authorities for closure of company. The company has obtained Certificate of dissolution from Chamber of Commerce of Medellin for Antioquia on April 09, 2021.

NOTE 54: ADDITIONAL REGULATORY INFORMATION

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

a) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

b) The Group has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

c) The Parent Company has submitted Stock and debtors statement to the banks except for the months of December-2022 to March-2023. The quarterly statements filed by the Parent Company with such banks or financial institutions are in agreement with the books of account of the Parent Company except the variances listed below:

Particulars	Amount as per statements submitted to bankers (₹ in crore)	Amount as per books of accounts (₹ in crore)	Differences in Amount (₹ in crore)	Differences in %
Inventory				
Qtr. ended June 2022	5,584.71	5,583.76	0.95	0.02
Qtr. ended Sept 2022	5,717.71	5,715.71	2.00	0.03
Qtr. ended Dec 2022	*	5,724.51	Not Applicable	Not Applicable
Qtr. ended Mar 2023	*	5,621.81	Not Applicable	Not Applicable
Sundry Receivables				
Qtr. ended June 2022	1,495.29	1,417.10	78.19	5.23#
Qtr. ended Sept 2022	1,501.72	1,477.72	24.00	1.60#
Qtr. ended Dec 2022	*	1,503.99	Not Applicable	Not Applicable
Qtr. ended Mar 2023	*	1,479.23	Not Applicable*	Not Applicable

* Not Submitted to Bankers

Mainly on account of Foreign exchange restatements and ECL provisions.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

d) Neither the Parent Company nor any of the Subsidiary Companies have been declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

e) The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013

Name of struck off company	Nature of transactions with struck off Company	Amount of transaction in (₹ in crore)	Balance outstanding (₹ in crore)	Relationship with the Struck off Company
Kothari Intergroup Ltd.	Shares held by the company as on reporting date	-	-	Share holder*

* 10 shares were held by struck off company as on 31 March 2023

f) The Group has complied with the number of layers prescribed under section 2(87) of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

g) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

h) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

i) The Group does not have any transaction which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

j) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

k) The Group has the following balances against the loans granted or adavaces in the nature of loans wherein there is no specific schedule of repayment of principal or payment of interest:

Type of Borrower	Amount (₹ in crore) of loan or advance in the nature of loan outstanding		Percentage to the total Loans and Advance in the nature of loans	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Directors	-	0.50	0.00%	4.22%
KMPs	-	0.63	0.00%	5.32%

NOTE 55: DETAILS OF AMOUNTS DUE FROM ENTITIES PURSUANT TO REGULATION 34 OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND DISCLOSURE UNDER SECTION 186(4) OF THE ACT:

As at 31 March 2023 (₹ in crore)

Particulars	Shivani Sarees Private Limited	Jewel Travels Private Limited
Loans and advances		
Loans at the beginning of the year (including accrued interest)	8.65	3.21
Additions during the year	-	-
Interest income during the year	0.60	0.21
Repayment/adjustment during the year	-	-
Interest paid during the year	0.67	-
TDS on Interest	-	0.02
Loans at the end of the year (including accrued interest)	8.58	3.40
Maximum balance outstanding during the year	8.65	3.40
Rate of interest	Refer note (ii)	Refer note (iv)
Repayment terms	Refer note (iii)	Refer note (v)

Notes:

(i) The Group has given loans to above entities for business purposes. All the loans given are unsecured loans.

(ii) As per the agreement, the rate of interest for the loan is the prevailing 10 year government bond yield.

(iii) The loan is to be repaid in 10 half yearly installments commencing from 1 April 2024.

(iv) As per the agreement, the rate of interest for the loan is the prevailing 5 year government bond yield.

(v) The loan is to be repaid within 7 years from the date of the receipt.

As at 31 March 2022 **(₹ in crore)**

Particulars	Shivani Sarees Private Limited	Jewel Travels Private Limited
Loans and advances		
Loans at the beginning of the year (including accrued interest)	9.47	3.04
Additions during the year	-	-
Interest income during the year	0.56	0.18
Repayment/adjustment during the year	-	-
Interest paid during the year	1.32	-
TDS on Interest	0.06	0.02
Loans at the end of the year (including accrued interest)	8.65	3.21
Maximum balance outstanding during the year	9.47	3.21
Rate of interest	Refer note (ii)	Refer note (iv)
Repayment terms	Refer note (iii)	Refer note (v)

Notes:

(i) The Group has given loans to above entities for business purposes. All the loans given are unsecured loans.

(ii) As per the agreement, the rate of interest for the loan is the prevailing 10 year government bond yield.

(iii) The loan is to be repaid in 10 half yearly installments commencing from 1 April 2024.

(iv) As per the agreement, the rate of interest for the loan is the prevailing 5 year government bond yield.

(v) The loan is to be repaid within 7 years from the date of the receipt.

NOTE 56: GROUP INFORMATION

Consolidated financial statements as at 31 March 2023 comprise the financial statements of PC Jeweller Limited and its subsidiaries, which are as under:

	Subsidiaries	Principal activities	Country of incorporation	Status of financial statements as at 31 March 2023	% equity interest as at	
					31 March 2023	31 March 2022
A	**Indian subsidiaries:**					
	PC Universal Private Limited	Jewellery manufacturing and export	India	Audited	100	100
	Transforming Retail Private Limited^	Online retail trading in jewellery	India	Audited	4.76	100
	Luxury Products Trendsetter Private Limited	Jewellery manufacturing and trading	India	Audited	100	100
	PCJ Gems & Jewellery Limited	Jewellery manufacturing, trading, import and export	India	Audited	100	100
B	**Foreign subsidiary:**					
	PC Jeweller Global DMCC	Jewellery trading	UAE	Audited	100	100
	Comercializadora Internacional PC Jeweller International SAS (refer note below)	Jewellery trading	Colombia	Audited	–	–

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Notes: PC Jeweller Global DMCC has incorporated Comercializadora Internacional PC Jeweller International SAS (PCJ SAS) as its wholly owned subsidiary on 25 April 2017. PCJ SAS surrendered the Commercial Licence on 19 November 2019 and had applied to DIAN authorities for closure of company. With effect from April 05, 2021, PCJ SAS ceased to exist as it had entered into settlement in its country of incorporation. It has obtained Certificate of dissolution from Chamber of Commerce of Medellin for Antioquia on April 09, 2021.

^ Ceased to be subsidiary during the year.

NOTE 57: STATUTORY GROUP INFORMATION

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

	Net assets i.e. total assets less total liabilities		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in crore	As % of consolidated profit/ (loss)	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated total comprehensive income	₹ in crore
Parent:								
PC Jeweller Limited	91.75	3,386.22	107.56	(218.56)	9.94	0.46	109.84	(218.10)
Subsidiaries:								
Indian:								
PC Universal Private Limited	3.12	115.12	(6.04)	12.27	–	–	(6.18)	12.27
Transforming Retail Private Limited^	–	–	0.58	(1.18)	(0.86)	(0.04)	0.61	(1.22)
Luxury Products Trendsetter Private Limited	0.36	13.28	2.78	(5.64)	0.22	0.01	2.84	(5.63)
PCJ Gems & Jewellery Limited	–*	0.02	–*	–	–	–	–*	–
Foreign:								
PC Jeweller Global DMCC	4.77	175.91	(4.88)	9.91	90.70	4.20	(7.11)	14.11
Grand total	**100.00**	**3,690.55**	**100.00**	**(203.20)**	**100.00**	**4.63**	**100.00**	**(198.57)**

*rounded off to nil

^Transforming Retail Private Limited ceased to be subsidiary of the company on account of increase in its paid up capital and issue of additional shares to a third party w.e.f 10 March 2023. However the Board of Directors were same till 31 March 2023. Consolidation of Profit & Loss Account has been done upto date of ceassation accordingly.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For Arun K Agarwal & Associates
Chartered Accountants
Firm's Registration No.: 003917N

Sd/-
Arun Kumar Agarwal
Partner
Membership No. 082899

Place: New Delhi
Date: 30 May 2023

For and on behalf of the Board of Directors

Sd/-
Ramesh Kumar Sharma
Executive Director
DIN-01980542

Sd/-
Balram Garg
Managing Director
DIN-00032083

Sd/-
Vijay Panwar
Company Secretary
Membership No. A19063

Sd/-
Sanjeev Bhatia
Chief Financial Officer

Statement on Impact of Audit Qualifications

(for audit report with modified opinion) submitted along with Annual Audited Financial Results (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(₹ in crores except earnings per share)

I.	Sl No.	Particulars	Consolidated Audited Figures (as reported before adjusting for qualifications)	Consolidated Audited Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	2635.93	2635.93
	2.	Total Expenditure	2743.84	2743.84
	3.	Net Profit/(Loss)	(203.18)	(203.18)
	4.	Earnings Per Share	(4.37)	(4.37)
	5.	Total Assets	7635.93	7635.93
	6.	Total Liabilities	3945.38	3945.38
	7.	Net Worth	3690.55	3690.55
	8.	Any other financial item(s) (as felt appropriate by the management)	No	No

II Audit Qualification (each audit qualification separately):

a. **Details of Audit Qualification:**

(i) As explained in Note 5 to the accompanying Statement, the company during the financial year ended 31 March 2019 had provided discounts of Rs. 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 prerequisite, 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 Rs. 330.49 crore. For the remaining discounts of Rs. 183.16 crore, in the absence of requisite approvals and material evidence related to such transactions, we are unable to comment on the impact, if any, of the same on the accompanying Statement. Auditor's Opinion for the year ended 31 March 2019, 31 March 2020, 31 March 2021 and 31 March 2022 and our conclusion for the quarter ended 30 June 2022, 30 September 2022 and 31 December 2022 were also modified in respect of this matter.

(ii) With respect to provision for the expected credit loss/impairment relating to overdue overseas Trade Receivables as required under Ind-AS 109, the management has calculated an additional provision of Rs. 11.96 crores during the year in respect of these overdue receivables. However, no realization has been made during the year against overdue trade receivables towards export of goods aggregating to Rs.1707.27 crores (including unrealized foreign currency exchange gain of Rs.239.74 crores) as on 31 March 2023 out of which Rs.1355.56 crores (including unrealized foreign currency exchange gain of Rs.197.04 crores) is outstanding from more than 3 years. Also no export transactions have been done with these overseas debtors during the year. Further, as informed to us, legal notices have been served to the overseas debtors and the company is in process of finalizing legal counsel for initiating legal proceedings. Upto 31 March 2023, the company has made an ECL provision of only Rs.262.59 crore based on revised payment schedule as provided by the overseas debtors. Despite of no realization as per the scheduled expected dates from the export receivables and considering the initiation of legal route for recovery during the year, we are unable to examine adequacy of the provision for expected credit losses and its consequential impact and adjustments on the accompanying Statement.

	(iii)	As explained in Note 8 to the accompanying statement, due to rejection of the resolution plan by the Lenders, the Lead Bank has initiated the recovery proceedings through Debt Recovery Tribunal (DRT) and obtained an order to seize, take control and prepare an inventory of entire stocks of hypothecated assets to the lenders. In response, the company has moved to the Debts Recovery Appellate Tribunal (DRAT) against the order of the DRT, and the matter is sub-judice. Meanwhile some of the other consortium members have also filed their recovery suit in DRT against the company. According to the Order of DRT and DRAT, the appointed agencies along with valuers have started necessary implementation of the Order including inventorization and valuation of inventory at some locations of the company. Since, those locations were carrying major inventory and were under process of inventorization and valuation as per the order of DRT/DRAT as on 31 March 2023, the physical verification/inspection/valuation of the inventory could not be conducted by the management at these locations. This, being a significant event, may have an adverse impact the Goodwill and the Brand image of the company which may affect the Net Realisable Value of the Inventory. Further, significant quantum of inventory was lying with Third Parties (Karigars/Job-Workers) which could not be physically verified/inspected by independent agency/lenders. Such inventory lying with third parties is not adequately insured. Further, no valuation reports by the independent Gemologist/ valuer were made available to us for the inventory as shown in accompanying statement. In view of the above, we are unable to examine and express an opinion on inventory value and its consequential impact and adjustments on the accompanying Statement.	
	b.	**Type of Audit Qualification :** Qualified Opinion	
	c.	**Frequency of qualification:** the qualification No (i) has been appearingsince year ended 31 March 2019. The remaining qualifications were first incorporated in the financial results for the quarter ending December 2022	
	d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Not Applicable	
	e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:**	
	(i)	**Management's estimation on the impact of audit qualification:** Not Applicable	
	(ii)	**If management is unable to estimate the impact, reasons for the same:** (i) 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 does not expect any material penalty to be levied and therefore, no provision for the same has been recognized in these financial results. (ii) 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 hence is convinced about the calculated ECL amount. (iii) The DRAT has already stayed the DRT's ex parte order of seizing the inventory and the matter is sub-judice. The company has also filed counter claims against the SBI. Given the nature of company's inventory it does not envisage any adverse impact on the Net realizable Value of its Inventory. The company further does not envisage any losses on account of a portion of its inventory lying with karigars.	
	(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	**Signatories:**		
	•	**CEO/Managing Director**	Sd/-
	•	**CFO**	Sd/-
	•	**Audit Committee Chairman**	Sd/-
	•	**Statutory Auditor**	Sd/-

Place: New Delhi

Date: 30 May 2023

PC Jeweller Limited

CIN: L36911DL2005PLC134929
Regd. Office: C - 54, Preet Vihar, Vikas Marg, Delhi – 110 092
Phone: 011 - 49714971, Fax: 011 – 49714972
E-mail: info@pcjeweller.com, Website: www.pcjeweller.com

NOTICE

Notice is hereby given that the 18th Annual General Meeting of Members of PC Jeweller Limited will be held on Saturday, September 30, 2023 at 11:00 A.M. (IST) through Video Conferencing / Other Audio Visual Means to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2023, the reports of the Board of Directors and Statutory Auditor thereon and the audited consolidated financial statements of the Company for the financial year ended March 31, 2023 and the report of Statutory Auditor thereon.

2. To appoint a Director in place of Shri Ramesh Kumar Sharma (DIN: 01980542), who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint Statutory Auditor and fix their remuneration:

   M/s Arun K. Agarwal & Associates, Chartered Accountants (Firm Registration No. 003917N) (hereinafter referred to as **"AKA"**) were appointed as Statutory Auditor of the Company at the 15th Annual General Meeting (**"AGM"**) held on August 7, 2020 to hold office till the conclusion of the 20th AGM. However, AKA have resigned as Statutory Auditor of the Company on August 14, 2023 (after issue of Limited Review Reports on financial results of the Company for the quarter ended June 30, 2023) on the ground of economic viability. AKA were paid ₹0.54 crore (exclusive of GST) towards audit fee for the financial year 2022-23, other services including limited reviews and reimbursement of expenses incurred.

   On the recommendation of Audit Committee, the Board of Directors (**"Board"**) approved the appointment of M/s A H P N & Associates, Chartered Accountants (Firm Registration No. 009452N) (hereinafter referred to as **"AHPN"**) as Statutory Auditor of the Company w.e.f. August 22, 2023 to fill the casual vacancy caused by the resignation of AKA and to hold office till the conclusion of the 18th Annual General Meeting and for further 5 (five) consecutive years from the conclusion of the 18th AGM till the conclusion of the 23rd AGM, at such remuneration as may be mutually agreed between the Board and the Auditors plus applicable taxes and reimbursement of out-of-pocket expenses incurred, if any, and further recommended the same to Members for their approval.

   AHPN is an Indian professional firm with a global perspective established in 1989. The firm comprises of 8 partners, who are Fellow Members of the Institute of Chartered Accountants of India with experience ranging upto 34 years. It provides services in the field of statutory and internal audit and assurance services, direct and indirect taxation compliance, corporate law advisory, bank audits and assurances etc. Its clients include National Highways Authority of India, SBR Auto Components Limited, Binani Cement Limited etc. The firm is empanelled with CAG and IBA etc. Their peer review certificate is valid till November 30, 2025.

   AHPN have given their consent to act as Statutory Auditor of the Company and confirmed their eligibility as well as non-disqualification in terms of Sections 139 and 141 of the Companies Act, 2013, the Chartered Accountants Act, 1949 and the rules and regulations made thereunder.

   In terms of the provisions of Section 139 of the Companies Act, 2013 read with the rules made thereunder, appointment of statutory auditor in casual vacancy caused due to resignation of the existing auditor, shall also be approved by the Company in a general meeting convened within 3 months of the recommendation of the Board and such auditor shall hold office till the conclusion of the next annual general meeting. Accordingly, the Board has recommended for the approval of Members, appointment of AHPN as Statutory Auditor of the Company:

   i) w.e.f. August 22, 2023 to fill the casual vacancy caused by resignation of AKA and to hold the office till the conclusion of the 18th AGM; and

   ii) for 5 (five) consecutive years from the conclusion of the 18th AGM till the conclusion of the 23rd AGM.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 {including any statutory modification(s) or re-enactment(s) thereof, for the time being in force} M/s A H P N & Associates, Chartered Accountants (Firm Registration No. 009452N) be and are hereby appointed as Statutory Auditor of the Company w.e.f. August 22, 2023 to fill the casual vacancy caused by the resignation of M/s Arun K. Agarwal & Associates, Chartered Accountants (Firm Registration No. 003917N) and they shall hold office till the conclusion of the 18th Annual General Meeting, at such remuneration as may be mutually agreed between the Board and the Auditors plus applicable taxes and reimbursement of out-of-pocket expenses incurred, if any.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 {including any statutory modification(s) or re-enactment(s) thereof, for the time being in force} M/s A H P N & Associates, Chartered Accountants (Firm Registration No. 009452N) be and are hereby appointed as Statutory Auditor of the Company for 5 (five) consecutive years from the conclusion of the 18th Annual General Meeting till the conclusion of the 23rd Annual General Meeting of the Company, at such remuneration as may be mutually agreed between the Board and the Auditors plus applicable taxes and reimbursement of out-of-pocket expenses incurred, if any.

RESOLVED FURTHER THAT Shri Balram Garg (DIN: 00032083), Managing Director, Shri Ramesh Kumar Sharma (DIN: 1980542), Executive Director, Shri Sanjeev Bhatia, Chief Financial Officer and Shri Vijay Panwar, Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this resolution."

By order of the Board of Directors
For **PC Jeweller Limited**

Sd/-
(VIJAY PANWAR)
Company Secretary

Place: New Delhi
Date: August 22, 2023

NOTES:

1. Ministry of Corporate Affairs (**"MCA"**) vide General Circular No. 10/2022 dated December 28, 2022 in continuation to the circulars issued earlier in this regard (collectively referred to as **"MCA Circulars"**) permitted holding of the Annual General Meeting (**"AGM"**) through Video Conferencing (**"VC"**) or Other Audio Visual Means (**"OAVM"**) up to September 30, 2023, without the physical presence of Members at a common venue. Accordingly, in compliance with the provisions of the Companies Act, 2013 (the **"Act"**), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**) and MCA Circulars, the 18th AGM of the Company is being held through VC/ OAVM. Hence, Route Map and Attendance Slip are not annexed to this Notice. The deemed venue of the AGM shall be the registered office of the Company.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/her behalf and the Proxy need not be a Member of the Company. Since 18th AGM is being held pursuant to MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by Members will not be available for this AGM. Hence, Proxy Form is not annexed to this Notice.

3. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

4. In compliance with MCA Circulars and SEBI Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, Notice of the 18th AGM along with Annual Report 2022-23 is being sent only by electronic mode to those Members whose e-mail address is registered with Depository Participants (**"DPs"**)/ Company / Registrar & Transfer Agent (**"RTA"**) - KFin Technologies Limited (**"KFintech"**). AGM Notice and Annual Report will also be available on the Company's website https://www.pcjeweller.com/, websites of BSE Limited (**"BSE"**) and National Stock Exchange of India Limited (**"NSE"**) at https://www.bseindia.com/ and https://www.nseindia.com/ respectively and on the website of KFintech at https://evoting.kfintech.com/. Physical copy of AGM Notice along with Annual Report 2022-23 will be sent to those Members who request for the same.

5. The Company has engaged the services of KFintech, as the Agency, for participation of Members in the 18th AGM through VC / OAVM, facility for remote e-voting and e-voting at the AGM.

6. Only those Members, whose names appear in Register of Members / List of Beneficial Owners as on **Saturday, September 23, 2023 ("Cut-off Date")** shall be entitled to vote (through remote e-voting and at the AGM) on the resolutions set forth in this Notice and their voting rights shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off Date. A person who is not a Member as on the Cut-off Date should treat this Notice for information only.

7. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (**"IEPF Rules"**), the Company has uploaded the details of unpaid / unclaimed dividend amounts lying with the Company as on March 31, 2022 on its website https://www.pcjeweller.com/in Investors section and also with MCA.

   As per Section 125 of the Act, any dividend amount remaining unpaid / unclaimed for a period of 7 years from the date of transfer to unpaid dividend account, is required to be transferred to Investor Education and Protection Fund (**"IEPF"**). Accordingly, unclaimed dividends for the financial years 2012-13, 2013-14 and 2014-15 have been transferred to IEPF by the Company. Also, the shares on which dividend remained unpaid / unclaimed for 7 consecutive years were transferred to the demat account of IEPF Authority as per Section 124 of the Act read with IEPF Rules.

   In view of this, Members are requested to claim their unpaid dividends declared by the Company for financial year 2015-16 and thereafter, within the stipulated time and contact the Company or its RTA for claiming the same. In accordance with IEPF Rules, individual communications have already been sent to those Members whose shares are due for transfer to IEPF Authority during current financial year, informing them to claim their unclaimed / unpaid dividend **on or before October 18, 2023** to avoid such transfer of shares to IEPF Authority and notice in this regard was also published in the Newspapers.

8. Investors / Members may note that unclaimed share application money, dividends and shares transferred to IEPF Authority can be claimed back. Concerned Investors / Members are advised to visit the weblink https://www.iepf.gov.in/IEPF/refund.html or contact the Company's RTA for lodging the claim for unclaimed share application money, dividends and relevant shares from IEPF Authority.

9. The Board of Directors has appointed Shri Randhir Singh Sharma, Practicing Company Secretary (CP No.: 3872), as the Scrutinizer to scrutinize the remote e-voting and e-voting at the 18th AGM in a fair and transparent manner.

10. Members who would like to express their views or ask questions during the 18th AGM may register themselves as a speaker from 9:00 A.M. (IST) to 5:00 P.M. (IST) on September 26, 2023 by logging on at https://emeetings.kfintech.com/ and clicking on Speaker Registration option. Only those Members, who have registered themselves as a speaker, will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time and to ensure the smooth conduct of the AGM.

11. Members are requested to carefully read the '**Instructions for attending the 18th AGM, remote e-voting and e-voting at the18th AGM'** mentioned hereunder:

A) Instructions for attending the 18th AGM:

i) Members will be able to attend the AGM electronically through VC / OAVM at https://emeetings.kfintech.com/ by using their remote e-voting login credentials.

ii) After logging in, click on "Video Conference" option.

iii) Then click on camera icon appearing against AGM event of **PC Jeweller Limited** to at tend the AGM. Please do the echo test once you enter into the AGM room.

iv) For better experience, Members are requested to join the meeting through laptops, tablets etc. using Google Chrome or other browsers such as Firefox, Safari or Microsoft Edge after removing firewalls.

v) Members are advised to use stable Wi-Fi or LAN connection to ensure smooth participation in the AGM. Participants may experience audio/video loss due to fluctuation in their respective networks.

vi) Facility of joining the AGM through VC / OAVM will open 30 minutes before the scheduled time of the AGM.

vii) Facility of joining the AGM through VC / OAVM shall be available for 1,000 Members on first come first serve basis. However, the participation of Members holding 2% or more shares, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders Relationship Committee as well as Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.

viii) Corporates / Institutional Members (i.e. other than Individuals, HUF's, NRI's etc.) are requested to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority Letter etc., authorizing their representatives to attend / participate in the AGM through VC / OAVM on their behalf and to vote through remote e-voting / e-voting at the AGM. The said Board Resolution / Authority Letter etc. shall be sent to the Scrutinizer at the e-mail address rss.scrutinizer@gmail.com with copy to evoting@kfintech.com. Institutional Members are encouraged to attend and vote at the AGM.

ix) Members, who have cast their votes by remote e-voting can also attend the AGM through VC / OAVM but shall not be entitled to cast their votes again.

x) In case of any query relating to the procedure for attending the AGM through VC / OAVM or for any technical assistance, Members may call on KFintech's Toll Free No.: 1800-309-4001 or send an e-mail at evoting@kfintech.com.

B) Instructions for remote e-voting and e-voting at the 18th AGM:

i) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations, the Company is pleased to provide to its Members the facility to exercise their right to vote by electronic means. The Company has engaged the services of KFintech as the Agency to provide the facility of remote e-voting (before the AGM) and e-voting (at the AGM).

ii) Members can opt for only one mode of voting i.e. remote e-voting or e-voting at the AGM.

iii) The remote e-voting facility shall be available during the following period:

Commencement of remote e-voting: From 9:00 A.M. (IST) on Wednesday, September 27, 2023

End of remote e-voting: Up to 5:00 P.M. (IST) on Friday, September 29, 2023

The remote e-voting shall not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFintech upon expiry of the aforesaid period.

iv) Only those Members, who are present at the AGM through VC / OAVM and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting at the AGM.

v) Members who do not have User ID and Password for e-voting or have forgotten User ID and Password may retrieve the same by following the instructions for remote e-voting.

vi) In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

vii) In case of any query on e-voting, please visit Help and FAQs section available at KFintech's website https://evoting.kfintech.com/ or e-mail at evoting@kfintech.com or call KFintech's Toll Free No.: 1800-309-4001.

viii) Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Entities" e-voting process has been enabled for all the individual demat account holders, by way of single login credential, through their demat accounts/ websites of Depositories/ DPs in order to increase the efficiency of the voting process.

ix) Individual demat account holders would be able to cast their vote without having to register again with the e-Voting Service Provider (**"ESP"**) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail address with their DPs to access e-voting facility.

x) The detailed process and manner for remote e-voting and e-voting at the AGM are explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFintech's e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Details on Step 1:

Login method for individual shareholders holding shares in demat mode is as under:

Type of shareholders	Login Method
Individual shareholders holding shares in demat mode with National Securities Depository Limited ("NSDL")	**1. User already registered for IDeAS facility:** i) Visit URL: https://eservices.nsdl.com/ ii) Click on the "Beneficial Owner" icon under "Login" under "IDeAS" section. iii) On the new page, enter User ID and Password. On successful authentication, click on "Access to e-Voting". iv) Click on e-Voting link against the Company's name PC Jeweller Limited and cast your vote or select e-voting service provider KFintech and you will be re-directed to e-voting page of KFintech for casting your vote. **2. User not registered for IDeAS e-Services:** i) To register click on link: https://eservices.nsdl.com/ ii) Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp iii) Proceed with completing the required fields. iv) Follow steps given in point 1. **3. Alternatively by directly accessing the e-voting website of NSDL:** i) Open URL: https://www.evoting.nsdl.com/ ii) Click on the icon "Login" which is available under "Shareholder/Member" section. iii) A new screen will open. Enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. iv) On successful authentication, you will be redirected to NSDL IDeAS Portal. v) Click on e-Voting link available against the Company's name PC Jeweller Limited and cast your vote. You can also cast your vote by clicking on KFintech link placed under e-Voting Service Provider (ESPs) and you will be redirected to e-voting page of KFintech for casting your vote.
Individual shareholders holding shares in demat mode with Central Depository Services (India) Limited ("CDSL")	**1. Existing user who have opted for Easi/Easiest:** i) Visit URL: https://web.cdslindia.com/myeasinew/home/login or URL: https://www.cdslindia.com/ ii) Login with your registered User ID and Password. iii) The user will be able to see the e-voting Menu. iv) Click on the e-Voting link available against the Company's name PC Jeweller Limited and cast your vote. You can also cast your vote by selecting e-voting service provider KFintech and you will be re-directed to e-voting page of KFintech for casting your vote. **2. User not registered for Easi/Easiest:** i) Option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration ii) Proceed with completing the required fields. iii) Follow the steps given in point 1. **3. Alternatively by directly accessing the e-voting website of CDSL:** i) Visit URL: https://www.cdslindia.com/ ii) Click on E Voting tab and provide your demat account number and PAN. iii) System will authenticate User by sending OTP on registered mobile & e-mail as recorded in the demat Account. iv) On successful authentication, you will enter the e-voting module of CDSL. v) Click on e-Voting link available against the Company's name PC Jeweller Limited and cast your vote. You can also cast your vote by selecting e-voting service provider KFintech and you will be re-directed to e-voting page of KFintech for casting your vote.

Type of shareholders	Login Method
Individual shareholders login through their demat accounts / Website of DP	1. You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-voting facility. **2.** Once logged-in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature. **3.** Click on options available against the Company's name PC Jeweller Limited or select e-Voting service provider KFintech and you will be redirected to e-voting page of KFintech for casting your vote.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot User ID and Forgot Password option available at the respective websites.

Helpdesk: Helpdesk details for individual shareholders holding shares in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL are as under:

Login type	Helpdesk details
Shares held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at Toll Free No.: 1800-1020-990 and 1800-224-430.
Shares held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542/43.

Details on Step 2:

Login method for shareholders other than individual shareholders holding shares in demat mode and shareholders holding shares in physical mode is as under:

A) **Members whose e-mail addresses are registered with the DPs / Company / RTA,** will receive an e-mail from KFintech, which will include details of E-Voting Event Number (EVEN), User ID and Password. They will have to follow the following process:

i) Launch internet browser by typing the URL: https://emeetings.kfintech.com/

ii) Enter the login credentials (i.e. User ID & Password). Your User ID will be as under:

- For Members holding shares in demat form with NSDL: 8 character DP ID followed by 8 digits Client ID
- For Members holding shares in demat form with CDSL: 16 digits Beneficiary ID
- For Members holding shares in physical form: EVEN Number followed by Folio No.

However, if you are already registered with KFintech for e-voting, you can login by using your existing User ID and Password for casting your vote.

iii) After entering these details appropriately, click "LOGIN".

iv) You will now reach Password Change Menu, wherein you are required to mandatorily change your Password. The new Password shall comprise of minimum eight characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like *, #, @ etc.). The system will prompt you to change your Password and update your contact details like mobile number, e-mail ID etc. on first login. You may also enter the secret question and answer of your choice to retrieve your Password in case you forget it. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.

v) You need to login again with the new credentials.

vi) On successful login, system will prompt you to select the 'EVEN' i.e. **'PC Jeweller Limited'** and click on submit.

vii) On the voting page, you will see resolution description and against the same the option 'FOR / AGAINST / ABSTAIN' for voting. Enter the number of shares as on the **Cut-off date i.e. September 23, 2023** (which represents number of votes) under 'FOR / AGAINST' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST' but the total number in

'FOR / AGAINST' taken together shall not exceed your total shareholding. You may also choose the option 'ABSTAIN'. If Member does not indicate either 'FOR' or 'AGAINST', it will be treated as 'ABSTAIN' and the shares held will not be counted under either head.

viii) Cast your vote by selecting an appropriate option and click 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm else click 'CANCEL' to change your vote.

ix) Once you 'CONFIRM' your vote on the resolution(s), you will not be allowed to modify your vote.

x) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.

B) **Members whose e-mail address is not registered with the DPs / Company/RTA,** will have to follow the following process for registration of e-mail address for procuring User ID and Password for e-voting:

(i) In case shares are held in demat form, please provide DP ID-Client ID / Beneficiary ID, Name, Client Master List, self-attested scanned copies of PAN card and Aadhar card to evoting@kfintech.com or investors@pcjeweller.com. Alternatively, if you are an Individual shareholder holding shares in demat form, you are requested to refer to the login method explained above i.e. "Login method for individual shareholders holding shares in demat mode".

(ii) In case shares are held in physical form, please provide Folio No., Name, scanned copy of the share certificate (front and back), self-attested scanned copies of PAN card and Aadhar card to evoting@kfintech.com or investors@pcjeweller.com.

iii) Upon registration, Member will receive an e-mail from KFintech which includes details of E-Voting Event Number (EVEN), User ID and Password.

iv) After receiving the e-voting instructions, please follow all the above steps to cast your vote by electronic means.

12. Any person who becomes Member of the Company after despatch of the 18th AGM Notice and holds shares as on the Cut-off Date i.e. September 23, 2023 may obtain the User ID and Password in the following manner:

i) If the mobile number of Member is registered against Folio No. / DP ID - Client ID, Member may send SMS: MYEPWD <space>DP ID - Client ID or e-voting Event Number + Folio No. to 9212993399

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL: MYEPWD <SPACE> 1402345612345678

Example for Physical: MYEPWD <SPACE> e-voting Event Number + Folio No.

ii) If e-mail address or mobile number of Member is registered against Folio No. / DP ID - Client ID, then on the home page of https://evoting.kfintech.com/, Member may click "Forgot Password" and enter Folio No. or DP ID - Client ID and PAN to generate a Password.

iii) Member may call KFintech's Toll Free No. 1800-309-4001.

iv) Member may send an e-mail request to evoting@kfintech.com.

13. Pursuant to Regulation 36 of Listing Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, details of the Director seeking re-appointment at the 18th AGM are annexed hereto and forms part of this Notice.

14. The documents referred to in this Notice will be available for inspection electronically without any fee by Members from the date of circulation of this Notice upto the date of the 18th AGM. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act and the Certificate from Secretarial Auditor in terms of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available for inspection electronically by Members during the AGM. Members desirous of inspecting such documents may send request from their registered e-mail address to investors@pcjeweller.com by mentioning their DP Id – Client Id / Folio Number.

15. The Scrutinizer will make a consolidated Scrutinizer's Report of the total votes cast in favour or against and invalid votes, if any, to the Chairman / Managing Director of the Company or in his absence to any other Director authorized by the Board of Directors, who shall countersign the same. Based on the Scrutinizer's Report, the result will be declared by the Chairman / Managing Director or in his absence by the Company Secretary within 48 hours from the conclusion of the AGM at the Registered Office of the Company.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.pcjeweller.com and also on KFin's website https://evoting.kfintech.com. Simultaneously the results shall also be forwarded to BSE and NSE, where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e. September 30, 2023.

16. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members free of cost after making requisite changes.

17. As per Regulation 40 of Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI vide its Circular dated January 25, 2022 has mandated that securities shall be issued only in dematerialised form while processing duplicate / unclaimed suspense / renewal / exchange / endorsement / sub-division / consolidation/ transmission/ transposition service requests received from physical securities holders. In view of this and to eliminate all the risks associated with physical shares, Members are advised to dematerialize shares held by them in physical form. Members can contact the Company's RTA at einward.ris@kfintech.com for seeking necessary assistance / guidance in this regard.

18. SEBI vide Circular dated November 3, 2021 read with Circular dated December 14, 2021 and Circular dated March 16, 2023, has mandated all listed entities to ensure that shareholders holding equity shares in physical form shall furnish / update their PAN, KYC, Nomination and Bank account details (if not updated or provided earlier) through their respective RTA. In line with the same, the Company has sent individual letters to all Members holding shares of the Company in physical form to furnish / update the required documents / details to the Company's RTA either physically or on e-mail einward.ris@kfintech.com. Folios wherein any one of the cited documents / details are not available on or after October 1, 2023 shall be frozen by RTA. Service request or complaint received from any Member, cannot be processed by RTA until registration/ updation of PAN, KYC, Nomination and Bank account details in the records of the Company's RTA. Relevant details and forms prescribed by SEBI in this regard are available on the Company's website www.pcjeweller.com in Investors section.

Members holding shares in demat form are requested to submit their PAN, Bank and other details with their respective DPs.

19. As per the provisions of Section 72 of the Act, the facility for making nomination is available for Members in respect of their shareholding in the Company. Members, who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. SH-14. The said forms can be downloaded from the Company's website at www.pcjeweller.com in Investors section. Members are requested to submit the said form with their respective DPs (in case the shares are held in demat form) and with the Company's RTA (in case the shares are held in physical form).

20. Members are requested to participate in the **'Green Initiative in Corporate Governance'** for receiving all communications including Annual Report, Notices etc. from the Company electronically. Members, who have not yet registered their e-mail address, are requested to follow the following process:

i) Members holding shares in demat form can register their e-mail address with their respective DP; and

ii) Members holding shares in physical form can register their e-mail address in the prescribed Form ISR-1 with the Company's RTA - KFintech. Members may download the Form from the Company's website at https://www.pcjeweller.com/ and are requested to forward the duly filled in Form to KFintech.

DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE 18TH ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]

Name	Shri Ramesh Kumar Sharma
Director Identification Number	01980542
Date of Birth	September 27, 1957
Qualifications	Certified Associate of Indian Institute of Bankers, M.Com. and B.Com.
Brief profile	Shri Sharma aged 65 years is associated with the Company since April 2007 and over a period of 16 years he has immensely contributed to the growth of the Company. Prior to joining the Company, he was associated with State Bank of Bikaner and Jaipur and has over 29 years' experience in foreign exchange, credit and administration.
Expertise in specific functional areas	Administration, governance and industry experience
Date of first appointment on the Board	February 7, 2014
No. of meetings of the Board attended during financial year 2022-23	5
Remuneration drawn during financial year 2022-23	₹ 40.46 lakh
Relationships between Directors inter-se & Key Managerial Personnel	None
Directorships held in other Indian companies (excluding foreign companies and Section 8 companies)	None
Memberships / Chairmanships of committees of the Board of public limited companies (includes only Audit Committee and Stakeholders' Relationship Committee)	**PC Jeweller Limited** Stakeholders Relationship Committee
Shareholding in the Company	1,32,500 equity shares
Names of listed entities from which Director has resigned in the past three years	None


PC Jeweller

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PC Jeweller Limited

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www.pcjeweller.com