SHARAD JAIN ASSOCIATES
CHARTERED ACCOUNTANTS

213, HANS BHAWAN,
1, BAHADUR SHAH ZAFAR MARG,
DELHI-110002
TEL. NO.- 23379477, 23379588

AUDITOR'S REPORT

To the Board of Directors of PC Jeweller Limited

We have verified the accompanying financial statements of **PC Jeweller Global DMCC**, expressed in INR, which comprises of Balance Sheet as at March 31, 2019, Statement of Profit & Loss, the Cash Flow Statement and the Statement of Changes in Equity of the Company for the year ended on that date, duly converted in to IND AS and we have signed under reference to this certificate.

The conversion has been done by the management of PC Jeweller Limited (the "Company") being the holding company of PC Jeweller Global DMCC (the "subsidiary"), in accordance with the generally accepted accounting practice in India and other recognised accounting practices and policies followed by the Company to enable their incorporation in the consolidated financial statements of the Company pursuant to IND AS 27 – 'Consolidated & Separate Financial Statements' as prescribed by the Central Government of India.

The conversion of these financial statements into the relevant formats is the responsibility of the management of the Company. Our responsibility is to certify whether these financial statements and relevant formats prepared for the purpose outlined above and verified by us are accurate and in accordance with the generally accepted auditing standards in India.

Based on our verification and on the basis of information and explanations given to us, the accompanying converted financial statements and relevant formats of the subsidiary read with notes thereon and attached thereto have been converted as per the requirements of IND AS 21 – 'The Effects of Changes in Foreign Exchange Rates' and are in conformity with general accounting principles and other recognised accounting practices and policies in India.

This certificate is intended solely for the information and use of the Company and its statutory auditors in connection with their audit of consolidation financial statements of the Company. We do not accept or assume any liability or duty of care for any other purposes or to any third parties to whom the certificate is shown, or into whose hands it may come, save where expressly agreed by our prior consent in writing.

For Sharad Jain Associates
Chartered Accountants
(F. Regn. No.015201N)

Sharad Jain Associates
CA
New Delhi
Chartered Accountants

Place: New Delhi
Date: 28.05.2019

(Sharad Jain)
Partner
M.No. 83837

PC Jeweller Global DMCC

Balance sheet as at March 31, 2019

Particulars	Notes	₹ As at March 31, 2019	₹ As at March 31, 2018
ASSETS:			
Non-current assets:			
Property, plant and equipment	4	64,426,860	63,315,712
Financial Assets:			
Investments	5	16,088,766	16,088,766
Total non-current assets		80,515,626	79,404,478
Current assets:			
Inventories	6	138,941,322	965,465,739
Financial assets:			
Trade receivables	7	1,255,701,001	357,871,406
Cash and cash equivalents	8	19,923,347	19,996,120
Loans	9	613,902	753,045
Other current assets	10	9,482,673	5,821,255
Total current assets		1,424,662,245	1,349,907,565
Total assets		1,505,177,871	1,429,312,043
EQUITY AND LIABILITIES:			
Equity:			
Equity share capital	11	1,338,550,808	1,338,550,808
Other equity	12	159,475,080	61,636,517
Total equity		1,498,025,888	1,400,187,325
Liabilities			
Current liabilities:			
Financial liabilities:			
Trade payables	13		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		-	23,294,066
Other financial liabilities	14	7,151,983	596,211
Other current liabilities	15	-	5,234,441
Total current liabilities		7,151,983	29,124,718
Total equity and liabilities		1,505,177,871	1,429,312,043

Notes 1 to 28 form an integral part of these financial statements.

This is the balance sheet referred to in our report of even date
For Sharad Jain Associates,
Chartered Accountants

Sharad Jain
Partner

Place : New Delhi
Date : May 28, 2019

For and on behalf of PC Jeweller Global DMCC

Sanjeev Aggarwal
Director

PC Jeweller Global DMCC

Statement of profit and loss for the year ended on March 31, 2019

Particulars	Notes	₹ Year ended March 31, 2019	₹ Year ended March 31, 2018
REVENUE:			
Revenue from operations	16	2,952,117,147	879,082,750
Total revenue		2,952,117,147	879,082,750
EXPENSES:			
Cost of materials consumed	17	1,928,076,315	-
Purchases of stock-in-trade	18	-	1,323,531,352
Changes in inventories of finished goods, stock-in-trade and work-in-progress	19	831,444,665	(519,194,129)
Employee benefits expense	20	4,309,937	2,293,639
Depreciation and amortisation expenses	4	4,840,325	1,139,956
Other expenses	21	100,765,911	8,346,543
Total expenses		2,869,437,153	816,117,361
Profit before Tax		82,679,994	62,965,389
Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
Total tax expenses		-	-
Profit for the year		82,679,994	62,965,389
OTHER COMPREHENSIVE INCOME:			
a) Items that will be reclassified to profit or loss			
(i) Foreign currency translation		15,158,569	20,722,717
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year, net of tax		15,158,569	20,722,717
Total Comprehensive Income for the year Net of Tax		97,838,563	83,688,106
Earnings per equity share: (face value of AED 1000 per share)	22		
Basic earnings per share (in ₹)		1,126.43	857.84
Diluted earnings per share (in ₹)		1,126.43	857.84

Notes 1 to 28 form an integral part of these financial statements.

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

For Sharad Jain Associates,
Chartered Accountants

Sharad Jain Associates Chartered Accountants New Delhi

Sharad Jain
Partner

Place : New Delhi
Date : May 28, 2019

For and on behalf of PC Jeweller Global DMCC

Sanjeev Aggarwal
Director

بي سي جولار غلوبال م.د.م.س
PC JEWELLER GLOBAL DMCC
DUBAI - U.A.E.

PC Jeweller Global DMCC

Statement of change in equity for the year ended March 31, 2019

A Equity share capital:

	Note	No. of shares	₹
Issued, subscribed and fully paid up			
Equity shares of AED 1000 each			
Balance as at April 01, 2017	11	**73,400**	**1,338,550,808**
Changes in equity share capital during the year		-	-
Balance as at March 31, 2018	11	**73,400**	**1,338,550,808**
Changes in equity share capital during the year		-	-
Balance as at March 31, 2019	11	**73,400**	**1,338,550,808**

B Other equity:

	₹		
	Reserves and surplus		Total
	Retained earnings	Foreign currency translation reserve	
Balance as at April 01, 2017	**21,375,283**	**(43,426,872)**	**(22,051,589)**
Profit for the period	62,965,389	-	**62,965,389**
Other Comprehensive income	-	20,722,717	**20,722,717**
Total comprehensive income	**84,340,672**	**(22,704,155)**	**61,636,517**
Transactions with owners in their capacity as owners	-	-	-
Balance as at March 31, 2018	**84,340,672**	**(22,704,155)**	**61,636,517**
Profit for the period	82,679,994	-	**82,679,994**
Other Comprehensive income	-	15,158,569	**15,158,569**
Total comprehensive income	**167,020,666**	**(7,545,586)**	**159,475,080**
Transactions with owners in their capacity as owners	-	-	-
Balance as at March 31, 2019	**167,020,666**	**(7,545,586)**	**159,475,080**

Notes 1 to 28 form an integral part of these financial statements.

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

For Sharad Jain Associates,

Chartered Accountants

Sharad Jain

Partner

Place : New Delhi

Date : May 28, 2019

For and on behalf of PC Jeweller Global DMCC

Sanjeev Aggarwal

Director

PC Jeweller Global DMCC

Cash flow statement for the year ended on March 31, 2019

	₹	
A CASH FLOW FROM OPERATING ACTIVITIES	**Year ended** March 31, 2019	**Year ended** March 31, 2018
Profit before tax	82,679,994	62,965,389
Adjustments for:		
Depreciation and amortisation expense	4,930,808	1,152,515
Foreign currency translation	15,158,569	20,722,717
Operating profit before working capital changes	**102,769,371**	**84,840,621**
Adjustments for:		
(Increase) in inventories	826,524,417	(541,164,737)
(Increase) in financial assets	139,143	(347,019)
(Increase) in non-financial assets	(3,661,418)	(5,741,815)
(Increase) in trade receivables	(897,829,595)	194,047,385
Increase in financial liabilities	6,555,772	57,786
Increase in non-financial liabilities	(5,234,441)	5,185,983
Increase in trade payables	(23,294,066)	8,924,774
Net cash (used in)/generated from operating activities (A)	**5,969,183**	**(254,197,022)**
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment including capital advances	(6,041,956)	(43,356,504)
Investment in shares of subsidiary	-	(16,088,766)
Net cash (used in)/generated from investing activities (B)	**(6,041,956)**	**(59,445,270)**
C CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital	-	-
Net cash (used in)/generated from financing activities (C)	-	-
Net increase in cash and cash equivalents (A+B+C)	(72,773)	(313,642,292)
Cash and cash equivalents at the beginning of the year	19,996,120	333,638,412
Cash and cash equivalents at the end of the year	**19,923,347**	**19,996,120**

Notes 1 to 28 form an integral part of these financial statements.

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

For Sharad Jain Associates,

Chartered Accountants

For and on behalf of PC Jeweller Global DMCC

Sharad Jain

Partner

Place : New Delhi

Date : May 28, 2019

Sanjeev Aggarwal

Director

PC Jeweller Global DMCC
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

1. Corporate information

Nature of operations

PC Jeweller Global DMCC (the Company) was issued trade license on June 28, 2016. The Company is engaged in business of trading of gold jewellery.

General information

The financial statements of the Company have been converted in accordance with the generally accepted accounting practice in India and other recognised accounting practices and policies followed by its Holding Company to enable their incorporation in the consolidated financial statements of the Holding Company pursuant to IND AS 27 – 'Consolidated & Separate Financial Statements' as prescribed by the Central Government of India.

2. Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost basis except for certain financial assets and liabilities (refer note 24 for further details)

3. Summary of significant accounting policies

a) 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.

b) Foreign currency translation

Initial recognition
The Company's functional currency is U.A.E. Dirham. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction. The Company's financial statements are converted in INR as per the requirements of IND AS 21 – 'The Effects of Changes in Foreign Exchange Rates' to enable the Holding Company to present its Consolidated Financial Statements as per the requirements of IND AS 27 – 'Consolidated & Separate Financial Statements' as

Sharad Jain Associates
New Delhi
Chartered Accountants

prescribed by the Central Government of India. The converted financials are in conformity with general accounting principles and other recognised accounting practices and policies in India.

Measurement at the balance sheet date
Items of Balance Sheet, outstanding at the balance sheet date are restated at the year-end rates. Share Capital is recognised at exchange rate at the date of the transaction. Items of Income & Expenditure are reported using the exchange rate at the date of the transaction or average exchange rate if the fluctuation in exchange rate is not significant.

Treatment of exchange difference
Exchange differences that arise on reporting at each balance sheet date are recognised as other comprehensive income in the period in which they arise.

c) Revenue recognition

Sales of goods
Revenue from sale of goods is recognised on transfer of risk and rewards of ownership of goods to the buyer and when no significant uncertainty exists regarding the amount of consideration that will be derived. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction. Revenue is recorded net of any discounts and gifts provided by the Company.

Revenue from pure gold portion of gold jewellery sales is recognised in the statement of profit or loss when pure gold portion is sold on fixed gold rate basis and earlier unfixed gold balance is fixed by the buyer.

Revenue from jewellery making charges is recognised in the statement of profit or loss when the jewellery is sold either on fixed gold rate basis or on unfixed gold rate basis.

d) Property, plant and equipment

Recognition and initial measurement
All items of property, plant and equipment are stated at their cost of acquisition. 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.

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 as per straight-line method at annual rates estimated to write off the cost of the assets over its expected useful lives as under:

Asset category	Estimated useful life (in years)
Office equipment	4
Computers	3
Property	20
Plant and machinery	4
Furniture and Fixtures	4

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 income statement when the asset is derecognised.

Sharad Jain Associates
New Delhi
Chartered Accountants

e) Leased assets

Company as a lessee

Operating leases

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to statement of profit and loss on straight line basis except where scheduled increase in rent compensates the lessor for expected inflationary costs.

The Company does not enter into any leases as a lessor.

f) 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.

g) Impairment of financial assets

In accordance with Ind AS 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 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.

h) 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 FIFO basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

Sharad Jain Associates New Delhi Chartered Accountants

i) Cash and cash equivalents

Cash and cash equivalents comprise cash in 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.

j) 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.

k) Short term employee benefits

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.

l) Operating expenses

Operating expenses are recognised in the statement of profit or loss upon utilisation of the service or as incurred.

m) 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.

n) 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 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 recognized. However, when inflow of economic benefit is probable, related asset is disclosed.

o) 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.

Sharad Jain Associates
CA
New Delhi
Chartered Accountants

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.

p) 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 disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Sharad Jain Associates New Delhi Chartered Accountants

(This space has been intentionally left blank)

PC Jeweller Global DMCC

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note 4: Property, plant and equipment

	Plant and Machinery	Property	Office equipment	Furniture and Fixtures	Computers	Total
						₹
Gross block:						
Balance as at April 01, 2017	**-**	**21,458,857**	**79,440**	**-**	**28,598**	**21,566,895**
Additions	1,641,670	40,960,171	182,534	83,369	-	**42,867,744**
Disposals	-	-	-	-	-	**-**
Foreign currency translation	15,658	470,166	2,035	795	106	**488,760**
Balance as at March 31, 2018	**1,657,328**	**62,889,194**	**264,009**	**84,164**	**28,704**	**64,923,399**
Additions	502,199	-	891,356	330,788	34,112	**1,758,455**
Disposals	-	-	-	-	-	**-**
Foreign currency translation	107,861	4,154,825	14,545	4,485	1,785	**4,283,501**
Balance as at March 31, 2019	**2,267,388**	**67,044,019**	**1,169,910**	**419,437**	**64,601**	**70,965,355**
Accumulated depreciation:						
Balance as at April 01, 2017	**-**	**444,828**	**6,514**	**-**	**3,830**	**455,172**
Charge for the year	-	1,068,979	57,884	3,475	9,618	**1,139,956**
Reversal on disposals	-	-	-	-	-	**-**
Foreign currency translation	-	11,844	576	33	106	**12,559**
Balance as at March 31, 2018	**-**	**1,525,651**	**64,974**	**3,508**	**13,554**	**1,607,687**
Charge for the year	568,698	3,915,957	244,315	100,174	11,181	**4,840,325**
Reversal on disposals	-	-	-	-	-	**-**
Foreign currency translation	(1,848)	88,064	3,500	(93)	860	**90,483**
Balance as at March 31, 2019	**566,850**	**5,529,672**	**312,789**	**103,589**	**25,595**	**6,538,495**
Net block:						
Balance as at March 31, 2019	1,700,538	61,514,347	857,121	315,848	39,006	**64,426,860**
Balance as at March 31, 2018	1,657,328	61,363,543	199,035	80,656	15,150	**63,315,712**

Sharad Jain Associates Chartered Accountants New Delhi

PC Jeweller Global DMCC

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note 5: Non-current investments

Particulars	₹	
	Year ended	
	March 31, 2019	March 31, 2018
Investments in equity instruments (unquoted) - fully paid up - at cost		
In wholly owned subsidiary companies		
Comercializadora Internacional PC Jeweller International S.A.S.		
6,92,324 (financial year 2018 - 6,92,324) equity shares of COP 1000 each	16,088,766	16,088,766
Total	**16,088,766**	**16,088,766**
Aggregate amount of unquoted investments	16,088,766	16,088,766

Note 6: Inventories

Particulars	₹	
	Year ended	
	March 31, 2019	March 31, 2018
Raw materials	14,447,613	-
Work-in-progress	74,267,136	-
Finished goods	50,226,573	-
Stock-in-trade	-	965,465,739
Total	**138,941,322**	**965,465,739**

Note 7: Trade receivables

Particulars	₹	
	Year ended	
	March 31, 2019	March 31, 2018
Unsecured and considered good		
Receivables from related parties	-	-
Others	1,255,701,001	357,871,406
Total	**1,255,701,001**	**357,871,406**

Note 8: Cash and cash equivalents

Particulars	₹	
	Year ended	
	March 31, 2019	March 31, 2018
Balances with banks		
- In current accounts	19,095,541	16,788,065
Cash on hand	827,806	3,208,055
	19,923,347	**19,996,120**

Note 9: Current financial assets - loans

Particulars	₹	
	Year ended	
	March 31, 2019	March 31, 2018
Unsecured and considered good		
Security Deposits	613,902	753,045
Total	**613,902**	**753,045**

Note 10: Other current assets

Particulars	₹	
	Year ended	
	March 31, 2019	March 31, 2018
Balance with statutory authorities	37,685	35,994
Advances to suppliers	5,603,167	959,919
Prepaid expenses	1,738,213	1,895,573
Others	2,103,608	2,929,769
Total	**9,482,673**	**5,821,255**

Sharad Jain Associates New Delhi Chartered Accountants

PC Jeweller Global DMCC

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note 11: Equity share capital

(a) Authorised equity share capital

Particulars	Number of shares	Amount (₹)
Equity shares of AED 1000 each		
Balance as at April 01, 2017	**73,400**	**1,338,550,808**
Increase during the year	-	-
Balance as at March 31, 2018	**73,400**	**1,338,550,808**
Increase during the year	-	-
Balance as at March 31, 2019	**73,400**	**1,338,550,808**

Issued, subscribed and paid-up equity share capital

Particulars	Number of shares	Amount (₹)
Equity shares of AED 1000 each		
Balance as at April 01, 2017	**73,400**	**1,338,550,808**
Increase during the year	-	-
Balance as at March 31, 2018	**73,400**	**1,338,550,808**
Increase during the year	-	-
Balance as at March 31, 2019	**73,400**	**1,338,550,808**

(b) Terms and rights attached to equity shares

The share capital of the Company consists only of fully paid ordinary shares with a nominal (par) value of AED 1000 per share. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of the Company.

(c) Share of the company held by holding/ultimate holding company

Particulars	As at			
	March 31, 2019		March 31, 2018	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of AED 1000 each				
PC Jeweller Limited - Holding Company	73,400	100%	73,400	100%
	73,400	**100%**	**73,400**	**100%**

(d) Details of shareholders holding more than 5% of the shares of the Company

Particulars	As at			
	March 31, 2019		March 31, 2018	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of AED 1000 each				
PC Jeweller Ltd	73,400	100%	73,400	100%
	73,400	**100%**	**73,400**	**100%**

(e) 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 12: Other equity

Particulars	Sub-note	(₹) As at	
		March 31, 2019	March 31, 2018
Retained earnings	(i)	167,020,666	84,340,672
Foreign currency translation reserve	(ii)	(7,545,586)	(22,704,155)
Total other equity		**159,475,080**	**61,636,517**

Sharad Jain Associates
New Delhi
Chartered Accountants

PC Jeweller Global DMCC

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

(i) Retained earnings

Particulars	(₹) As at March 31, 2019	(₹) As at March 31, 2018
Balance at the beginning of the year	**84,340,672**	**21,375,283**
Add : Profit for the year	82,679,994	62,965,389
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurement of net defined benefit liability	-	-
Balance at the end of the year	**167,020,666**	**84,340,672**

(ii) Foreign currency translation reserve

Particulars	(₹) As at March 31, 2019	(₹) As at March 31, 2018
Balance at the beginning of the year	**(22,704,155)**	**(43,426,872)**
Change during the year	15,158,569	20,722,717
Balance at the end of the year	**(7,545,586)**	**(22,704,155)**

Note 13: Trade payables

Particulars	(₹) As at March 31, 2019	(₹) As at March 31, 2018
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	-	23,294,066
Total	**-**	**23,294,066**

Note 14: Other current financial liabilities

Particulars	(₹) As at March 31, 2019	(₹) As at March 31, 2018
Valued at amortised cost		
Employee related payables	1,140,120	84,164
Others	6,011,863	512,047
Total	**7,151,983**	**596,211**

Note 15: Other current liabilities

Particulars	(₹) As at March 31, 2019	(₹) As at March 31, 2018
Advances from customers	-	5,234,441
Total	**-**	**5,234,441**

Sharad Jain Associates New Delhi Chartered Accountants

PC Jeweller Global DMCC

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note 16: Revenue from operations

Particulars	₹	
	Year ended	
	March 31, 2019	March 31, 2018
Sale of products	2,952,117,147	879,082,750
	2,952,117,147	**879,082,750**

Note 17: Cost of materials consumed

Particulars	₹	
	Year ended	
	March 31, 2019	March 31, 2018
Raw material		
Balance at the beginning of the year	-	-
Add: purchases during the year	1,942,571,044	-
Less: balance at the end of the year	14,494,729	-
	1,928,076,315	**-**

Note 18: Purchases of stock-in-trade

Particulars	₹	
	Year ended	
	March 31, 2019	March 31, 2018
Purchases of stock-in-trade	-	1,323,531,352
	-	**1,323,531,352**

Note 19: Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	₹	
	Year ended	
	March 31, 2019	March 31, 2018
Opening stock		
Stock-in-trade	956,344,361	437,150,232
	956,344,361	437,150,232
Closing stock		
Work-in-progress	74,509,329	-
Finished goods	50,390,367	-
Stock-in-trade	-	956,344,361
	124,899,696	956,344,361
	831,444,665	**(519,194,129)**

Note 20: Employee benefits expense

Particulars	₹	
	Year ended	
	March 31, 2019	March 31, 2018
Salaries and wages	4,036,201	2,021,945
Staff welfare expenses	273,736	271,694
	4,309,937	**2,293,639**

Sharad Jain Associates New Delhi Chartered Accountants

Note 21: Other expenses

Particulars	₹	
	Year ended	
	March 31, 2019	March 31, 2018
Rent	1,018,607	2,207,076
Communication	178,037	185,786
Discount	65,708,816	54,585
Repairs and maintenance - office	699,601	2,216,206
Electricity and water	193,811	157,585
Insurance	17,617	514,867
Legal and professional (including payment to auditors) (refer note a below)	527,025	1,247,934
Printing and stationery	16,051	10,004
Security expenses	-	456,334
Marketing expenses	12,969,863	-
Manufacturing expenses	19,078,584	977,765
Misc. expenses	61,683	-
Travelling and conveyance	140,995	240,821
Bank charges	155,221	77,580
	100,765,911	**8,346,543**
Note		
(a) **Payment to auditors**		
- As statutory auditors	-	219,391
- For other services	-	-
Total	-	219,391

Note 22: Earnings per share

Particulars	₹	
	Year ended	
	March 31, 2019	March 31, 2018
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	82,679,994	62,965,389
Weighted average number of equity shares for basic/diluted earnings per share	73,400	73,400
Basic earnings per share	1,126.43	857.84
Diluted earnings per share	1,126.43	857.84

Sharad Jain Associates
New Delhi
Chartered Accountants

Note 23: Related party transactions

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures" name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

A List of related parties

Relationship	Name of the related party
Holding company	PC Jeweller Limited
Subsidiary company	Comercializadora Internacional PC Jeweller International S.A.S.
Key management personnel (KMP)	Mr. Sanjeev Aggarwal

B Transactions with related parties:

Details of transaction between the Company and its related parties are disclosed below:

	Holding company		Subsidiary company		Key management personnel	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
(i) Transactions during the year						
Investment made						
Comercializadora Internacional PC Jeweller International S.A.S.	-	-	-	16,088,766	-	-
	-	-	-	16,088,766	-	-
Share application money given						
Comercializadora Internacional PC Jeweller International S.A.S.	-	-	-	16,088,766	-	-
	-	-	-	16,088,766	-	-
Remuneration paid						
Mr. Sanjeev Aggarwal	-	-	-	-	1,080,201	1,000,424
	-	-	-	-	1,080,201	1,000,424
(ii) Year ended balances						
Share capital issued						
PC Jeweller Limited	1,338,550,808	1,338,550,808	-	-	-	-
	1,338,550,808	1,338,550,808	-	-	-	-
Investment						
Comercializadora Internacional PC Jeweller International S.A.S.	-	-	16,088,766	16,088,766	-	-
	-	-	16,088,766	16,088,766	-	-
Amount payable						
Comercializadora Internacional PC Jeweller International S.A.S.	-	-	5,992,973	-	-	-
Mr. Sanjeev Aggarwal	-	-	-	-	89,724	84,164
	-	-	5,992,973	-	89,724	84,164

Sharad Jain Associates New Delhi Chartered Accountants

Note 24: Financial risk management

i) Financial instruments by category

	March 31, 2019		March 31, 2018	
Particulars	**FVTPL**	**Amortised cost**	**FVTPL**	**Amortised cost**
Financial assets				
Trade receivables	-	1,255,701,001	-	357,871,406
Security deposits	-	613,902	-	753,045
Cash and cash equivalents	-	19,923,347	-	19,996,120
Total	**-**	**1,276,238,250**	**-**	**378,620,571**
Financial liabilities				
Trade payables	-	-	-	23,294,066
Other financial liabilities	-	7,151,983	-	596,211
Total	**-**	**7,151,983**	**-**	**23,890,277**

(a) The carrying value of trade receivables, securities deposits and cash and bank balances recorded at amortised cost, is considered to be a reasonable approximation of fair value.

(b) The carrying value of trade payables and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

ii) Risk management

The Company's activities expose it to 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	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

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 cash and cash equivalents, security deposits and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Trade receivables consist of a considerable number of customers in various geographical areas. The Company has a very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

Sharad Jain Associates
New Delhi
Chartered Accountants

Company provides for expected credit losses on financial assets by assessing individual financial instruments for expectation of any credit losses. Since the assets have very low credit risk, and are for varied natures and purpose, there is no trend that the company can draws to apply consistently to entire population. For such financial assets, the Company's policy is to provides for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

Detail of trade receivables that are past due is given below:

	As at March 31, 2019	As at March 31, 2018
Not Due	68,088,943	355,791,904
0-30 days past due	81,024,673	-
31-60 days past due	219,234,769	111,982
61-90 days past due	289,115,716	1,442,355
More than 90 days past due	598,236,900	525,165
	1,255,701,001	**357,871,406**

The company's exposure to credit risk for trade receivables is concentrated in Domestic wholesale customers.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Contractual maturities of financial liabilities

The tables below analyse 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 balances as the impact of discounting is not significant.

March 31, 2019	Payable on demand	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives						
Trade payable	-	-	-	-	-	-
Other financial liabilities	-	7,151,983	-	-	-	**7,151,983**
Total	-	**7,151,983**	-	-	-	**7,151,983**

March 31, 2018	Payable on demand	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives						
Trade payable	-	23,294,066	-	-	-	**23,294,066**
Other financial liabilities	-	596,211	-	-	-	**596,211**
Total	-	**23,890,277**	-	-	-	**23,890,277**

Note 25: 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

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.

Sharad Jain Associates New Delhi Chartered Accountants

PC Jeweller Global DMCC

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note 26: Ind AS 115 - Revenue from Contracts with Customers

(a) Disaggregation of revenue

The Company is engaged only in the business of jewellery and the risks and rewards of the company are concentrated in a single geographical area. Therefore, no disaggregated analysis of revenue is required.

(b) Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Description	Year ended March 31, 2019	Year ended March 31, 2018
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	5,234,441	48,458
Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods	-	-
Total	**5,234,441**	**48,458**

(c) Assets and liabilities related to contracts with customers

Description	As at March 31, 2019	As at March 31, 2018
	Current	**Current**
Contract liabilities related to sale of goods		
Advance from customers	-	5,234,441

(d) Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price

Description	Year ended March 31, 2019	Year ended March 31, 2018
Contract price	2,952,117,147	879,082,750
Less: Discount, rebates, credits etc.	-	-
Revenue from operations as per Statement of Profit and Loss	**2,952,117,147**	**879,082,750**

Sharad Jain Associates
New Delhi
Chartered Accountants

Note 27: Segment information

The company is engaged in the business of trading and marketing of gold jewellery of various designs/ specifications. There is no business segment to be reported under primary segment information.

The risks and rewards of the company are concentrated in a single geographical area i.e domestic sales. Therefore, there is no geographical segment to be reported under secondary segment information.

Note 28: Post reporting date events

No adjusting or significant non-adjusting events have occurred between March 31, 2019 and the date of authorisation of the Company's financial statements.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

For Sharad Jain Associates,
Chartered Accountants

Sharad Jain Associates Chartered Accountants New Delhi

Sharad Jain
Partner

Place : New Delhi
Date : May 28, 2019

For and on behalf of PC Jeweller Global DMCC

Sanjeev Aggarwal
Director

PC JEWELLER GLOBAL DMCC DUBAI - U.A.E.
بي سي جولار غلوبال م.د.م.س