

**JEWEL ONE JEWELLERY L L C
DUBAI**

UNITED ARAB EMIRATES

**FINANCIAL STATEMENTS & INDEPENDENT
AUDITOR'S REPORT**

AS ON 31ST MARCH, 2024

SUNTECH AUDITORS & CONSULTANTS

**JEWEL ONE JEWELLERY L L C
DUBAI - U.A.E.**

<u>INDEX</u>	<u>PAGE</u>
1- INDEPENDENT AUDITOR'S REPORT	1 & 2
2- STATEMENT OF FINANCIAL POSITION	3
3- STATEMENT OF PROFIT & LOSS & OTHER COMPREHENSIVE INCOME	4
4- STATEMENT OF CASH FLOW	5
5- STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	6
6- NOTES TO THE FINANCIAL STATEMENTS	7 to 20



Ref No:- SAC/2024/265

The Shareholder,
JEWEL ONE JEWELLERY L L C
DUBAI - U.A.E.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF JEWEL ONE JEWELLERY L L C

Report on the Audit of financial statements

We have audited the accompanying financial statements of JEWEL ONE JEWELLERY L L C, which comprise the statement of financial position as at 31st March 2024, the statement of profit and loss and comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended and a summary of material accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of JEWEL ONE JEWELLERY L L C, DUBAI- U.A.E. as of 31st March 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board of Accountants Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements for the year ended 31st March,2023 were audited by another auditor who expressed an unmodified opinion on those statements on 23rd August, 2023.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS and their preparation in compliance with the applicable provisions of the articles of association of the Company and UAE Federal Decree Law No. (32) of 2021, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

(Continued on page 2)

(Continued from page 1)

Page-2

Auditors' Responsibilities for the Audit of the Financial Statements

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 auditors' 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 International 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 financial statements.

As part of an audit in accordance with International Standards on Auditing, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates 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 auditors' 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 auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on Other Legal and Regulatory Requirements

- We have obtained all the information and explanation we considered necessary for our audit.
- The financial statements comply, in all material respect with the applicable provisions of UAE Federal Decree-Law No. (32) of 2021 and the Articles of Association of the Company.
- The Company has maintained proper books of accounts.
- Based on the information and explanation that has been made available to us, nothing came to our attention which causes us to believe that the Company has contravened during the year ended 31st March 2024 any of the applicable provisions of UAE Federal Decree-Law No. (32) of 2021 or the Articles of Association of the Company which would have a material effect on the Company's activities or on its financial position for the year.


SUNTECH AUDITORS & CONSULTANTS
Dubai, U.A.E.
Date:- 16th August, 2024



JEWEL ONE JEWELLERY L L C
DUBAI, U.A.E.
STATEMENT OF FINANCIAL POSITION AS ON 31ST MARCH, 2024
 (All Figures are expressed in U.A.E. Dirhams)

	Note	31.03.2024	31.03.2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	5	179,810	249,084
ROU Asset	6	90,544	-
Total Non-Current Assets		<u>270,354</u>	<u>249,084</u>
Current Assets			
Inventories	7	24,367,210	26,272,994
Trade and Other Receivables	8	12,007,250	13,670,117
Due From Related Party	9	5,433,050	10,031,194
Advance, Deposit and Prepayments	10	169,140	152,096
Cash and Cash Equivalents	11	1,336,339	51,517
Total Current Assets		<u>43,312,989</u>	<u>50,177,918</u>
TOTAL ASSETS		<u>43,583,343</u>	<u>50,427,002</u>
EQUITY AND LIABILITIES			
Equity			
Share Capital		300,000	300,000
Statutory Reserve	12	150,000	-
		<u>450,000</u>	<u>300,000</u>
Shareholders' Current Account	13	(177,613)	(273,918)
Retained Earnings		3,859,470	913,566
Total Equity Funds		<u>4,131,857</u>	<u>939,648</u>
Non current Liabilities			
Employees end of service benefits		79,591	70,304
		<u>79,591</u>	<u>70,304</u>
Current Liabilities			
Lease Liability	14	92,418	-
Trade and Other Payables	15	628,945	1,774,459
Due to Related Party	9	38,650,532	47,642,591
Total Current Liabilities		<u>39,371,895</u>	<u>49,417,050</u>
TOTAL EQUITY AND LIABILITIES		<u>43,583,343</u>	<u>50,427,002</u>

The accompanying notes form an integral part of these financial statements.

I the undersigned, for and on behalf of JEWEL ONE JEWELLERY L L C, approve these financials and confirm that we are responsible for them, including selecting the accounting policies and making judgments' underlying them. We also confirm that we have made available all relevant accounting statements for their audit.

For JEWEL ONE JEWELLERY L L C


 MANAGING DIRECTOR



JEWEL ONE JEWELLERY L L C
DUBAI, U.A.E.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR
ENDED 31ST MARCH, 2024
(All Figures are expressed in U.A.E. Dirhams)

	Note	31.03.2024	31.03.2023
Revenue	4(a)	180,908,664	127,856,036
Less: Cost of Revenue		(177,357,145)	(125,950,106)
GROSS PROFIT FROM OPERATIONS		<u>3,551,519</u>	<u>1,905,930</u>
Administrative, Selling and Other Expenses	16	(1,146,175)	(1,224,677)
Depreciation on Property, Plant and Equipment	5	(87,454)	(86,383)
Amortisation on ROU Asset	6	(90,544)	-
Bad Debt Expenses	17	-	(202,766)
Finance Cost	18	(14,907)	(8,595)
NET PROFIT FROM OPERATIONS		<u>2,212,439</u>	<u>383,509</u>
Other Income	19	883,465	521,504
NET PROFIT FOR THE YEAR		<u>3,095,904</u>	<u>905,013</u>
OTHER COMPREHENSIVE INCOME			
<i>Items that may be subsequently reclassified to profit or loss:</i>			
Net other Comprehensive Income to be reclassified subsequently to profit or loss		-	-
<i>Items that may not be subsequently reclassified to profit or loss:</i>			
Net other Comprehensive Income not to be reclassified subsequently to profit or loss		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>3,095,904</u>	<u>905,013</u>

The accompanying notes form an integral part of these financial statements.

I, the undersigned, for and on behalf of JEWEL ONE JEWELLERY L L C, approve these financials and confirm that we are responsible for them, including selecting the accounting policies and making judgments' underlying them. We also confirm that we have made available all relevant accounting statements for their audit.

For JEWEL ONE JEWELLERY L L C


MANAGING DIRECTOR



JEWEL ONE JEWELLERY L L C
DUBAI, U.A.E.
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024
(All Figures are expressed in U.A.E. Dirhams)

	31.03.2024	31.03.2023
<u>Cash Flow from Operating Activities</u>		
Net Profit for the year	3,095,904	905,013
<u>Adjustments for:</u>		
Depreciation on Property Plant and Equipment	87,454	86,383
Employees end of service benefits	9,287	18,528
Amortization of ROU Assets	222,401	-
Interest on Lease Liability	29,214	-
	<u>3,444,260</u>	<u>1,009,924</u>
<u>Operating Profit before changes in working capital</u>		
<u>Changes in Working Capital</u>		
Changes in Inventory	1,905,784	(26,270,175)
Changes in Trade and Other Receivables	1,662,867	(8,219,931)
Changes in Advances, Deposits and Prepayments	(17,044)	213,817
Changes in Due From Related party	4,598,144	(9,999,492)
Changes in Trade and other payable	(1,145,514)	(154,741)
Changes in Due To Related party	(8,992,059)	43,185,163
	<u>1,456,438</u>	<u>(235,435)</u>
Net Cash Flow/(used in) Operating Activities	a	(235,435)
<u>Cash Flow from Investment Activities</u>		
(Purchase) of Property, Plant and Equipment	(18,180)	(330,624)
Decrease in Capital Work in Progress	-	155,555
	<u>(18,180)</u>	<u>(175,069)</u>
Net Cash (used in) Investment Activities	b	(175,069)
<u>Cash Flow from Financing Activities</u>		
Net Movements/Funds Introduced by shareholders'	96,305	153,212
Payment of Lease Liability	(249,741)	-
	<u>(153,436)</u>	<u>153,212</u>
Net Cash (used in)/ Flow from Financing Activities	c	153,212
	<u>1,284,822</u>	<u>(257,292)</u>
Net Increase/ (Decrease) in Cash and Cash Equivalents(a+b+c)		
Cash and Cash Equivalents at beginning of the year	51,517	308,809
Cash and Cash Equivalents at end of the year	1,336,339	51,517
	<u>1,284,822</u>	<u>(257,292)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents		

* Cash Flow includes unfixed metal balances also.

The accompanying notes form an integral part of these financial statements.
The Report of the Independent Auditors is set out on page 1 & 2.



JEWEL ONE JEWELLERY L L C
DUBAI, U.A.E.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024
 (All Figures are expressed in U.A.E. Dirhams)

	Share Capital	Statutory Reserve	Shareholders ' Current Accounts (Currency & Metal)	Retained Profits	Total
Opening Balance as on 01.04.2022	300,000	-	(427,130)	8,553	(118,577)
<u>Changes in Shareholders' Equity</u>					
a. Net Profit of the Year	-	-	-	905,013	905,013
b. Profit Transferred To Current Account	-	-	-	-	-
c. Net Movements	-	-	153,212	-	153,212
As on 31.03.2023	300,000	-	(273,918)	913,566	939,648
<u>Changes in Shareholders' Equity</u>					
a. Net Profit of the Year	-	-	-	3,095,904	3,095,904
b. Profit Transferred To Current Account	-	-	-	-	-
c. Transferred to Statutory Reserve	-	150,000	-	(150,000)	-
d. Net Movement	-	-	96,305	-	96,305
As on 31.03.2024	300,000	150,000	(177,613)	3,859,470	4,131,857

The accompanying notes form an integral part of these financial statements.
 The Report of the Independent Auditors is set out on page 1 & 2.



JEWEL ONE JEWELLERY L L C
DUBAI, UAE.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024
 (All figures are expressed in U.A.E Dirhams)

1. Legal Status and Business Activities

a. JEWEL ONE JEWELLERY L L C - United Arab Emirates ("Company") is incorporated as a Limited Liability Company (L.L.C.) and operates in the United Arab Emirates under a trade license issued by the Dubai Economy and Tourism Department, Government of Dubai, U.A.E.

b. The main activity of the Company as per Trade License is Trading in Jewellery, Gifts, Watches & Clocks & Spare parts, Crystal Products, Non-Manufactured Precious Metal.

c. The registered office of the Company is located at Property No. 205, Maryam 1, Al Dhagaya, Plot Number - 735, Dubai, United Arab Emirates.

d. The management and control are vested with M/s Emerald Jewellers DMCC, UAE National.

e. These financial statements incorporate the operating results of the Trade License No: 658265.

f. Share Capital

Authorized, issued and paid up capital of the Company is AED 300,000 divided into 300 shares of AED 1,000 each fully paid. The break-up of the shareholding is as follows:

Shareholding of the Company

Shareholders	Nationality	Share Capital %	Profit Sharing Ratio %
M/s Emerald Jewellers DMCC	UAE	100%	100%

2. Statement of Compliance and Basis of Preparation

a. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and applicable requirements of the laws of the UAE.

b. Basis of preparation

Management has made an assessment of the company's ability to continue as a going concern and is satisfied that the company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Further, the financial statements have been prepared on the historical cost basis except for certain financial instruments which are carried at fair value.



JEWEL ONE JEWELLERY L L C
DUBAI, UAE.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024
 (All figures are expressed in U.A.E Dirhams)

3. Application of new and revised international financial reporting standards (IFRSs)

a) Impact of initial application of other new and amended IFRSs that are effective for the current year

In the current year, the Company has applied a number of amendments to IFRSs and Interpretations issued by the International Accounting Standards Board (IASB) that are effective for an annual period that begins on or after 1 January 2023.

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2023, have been adopted in these financial statements. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements:

New and revised IFRS

IFRS 17 Insurance Contracts

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

Definition of Accounting Estimates – Amendments to IAS 8

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12

Other than the above, there are no other significant IFRSs and amendments that were effective for the first time for the financial year beginning on or after 1 January 2023.

b) New and amended IFRSs in issue but not yet effective and not early adopted

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

New and revised IFRSs

Non-current Liabilities with Covenants – Amendments to IAS 1 and Classification of Liabilities as Current or Non-current – Amendments to IAS 1

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

IFRS S1** General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2** Climate-related Disclosures

Lack of Exchangeability – Amendments to IAS 21

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

The Company anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments may have no material impact on the financial statements of the Company in the period of initial application.



JEWEL ONE JEWELLERY L L C
DUBAI, UAE.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024
 (All figures are expressed in U.A.E Dirhams)

4. Material accounting policies

a. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable for the sale of goods and services rendered in the ordinary course of the company's activities. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Sale of goods

Revenue from the sale of goods is recognised at a point in time when control of the goods is passed, at which time all the following conditions are satisfied:

- the performance obligation has been satisfied by the Company;
- the Company has transferred control of the goods to the customer;
- the Company has transferred the significant risks and rewards related to the ownership of the goods to the customer;
- the Company has a present right to payment for the goods delivered;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest Income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

b. Property, Plant and Equipment

Property, Plant and Equipment is stated at cost less accumulated depreciation and any identified impairment loss. The cost of Property, Plant and Equipment is the construction costs and/or purchase consideration together with any incidental costs of acquisition.

Cost includes construction costs and professional fees, and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy. Depreciation of these assets commences when the assets are ready for their intended use.



JEWEL ONE JEWELLERY L L C
DUBAI, UAE.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024
 (All figures are expressed in U.A.E Dirhams)

4. Material accounting policies (Continuation)

b. Property, Plant and Equipment (Continuation)

Depreciation is recognised so as to write off the cost other than freehold land and properties under construction, over their estimated useful lives, using the straight-line method. The estimated useful life of an item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

The entity decided to fully depreciate the assets in the date of addition itself.

c. Intangible Assets

An Intangible asset shall be recognized if, and only if:

- i It is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- ii the cost of the asset can be measured reliably.

An entity shall assess the probability of expected future economic benefits using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that exist over the useful life of the asset.

An entity shall use judgment to assess the degree of certainty attached to the flow of future economic benefits that are attributable to the use of the asset on the basis of the evidence available at the time of initial recognition, giving greater weight to external evidence.

An intangible asset shall be measured initially at cost.

d. Inventories

- Inventories of gold have been valued at the net realizable value prevailing at balance sheet date. The rate as on statement of financial position for gold is GOZ \$ 2233.12/-, silver is SOZ 24.9665/- (Previous year GOZ \$ 1968.53/-, SOZ \$ 24.10/-).

- Net realisable value represents the estimated selling price less all estimated costs to completion and costs to disposal.

-The cost of diamond jewellery and other precious stone jewellery are determined based on the specific

e. Trade Receivables

- i. Trade receivables are carried at anticipated realizable value.
- ii. Provision is made for doubtful receivables based on a review of all the outstanding amounts at the year end.
- iii. Bad debts are written off during the year in which they arise.



JEWEL ONE JEWELLERY L L C
DUBAI, UAE.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024
 (All figures are expressed in U.A.E Dirhams)

4. Material accounting policies (Continuation)

f. Impairment

As per IAS 36, At the end of each reporting year, the entity is require to reviews the carrying amounts of its tangible and intangible assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill are reviewed at the end of each reporting year for possible reversal of the impairment loss.

g. Cash and Cash Equivalents

Cash and Cash Equivalents for the purpose of cash flow statement comprise of cash on hand, current accounts, bank overdrafts repayable on demand and bank deposits free from lien with a maturity date of three months or less from the date of deposit.

h. Short Term Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost using the effective interest rate method. Difference between the proceeds (net of transaction costs) and the redemption value is recognized in the profit or loss over the year of the borrowings using the effective interest method.

Borrowing costs are recognized in profit or loss in the year in which they are incurred. Fees paid on the company of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

i. Value Added Tax

Expenses and assets are recognised net of value added tax (VAT), except as under:

- If VAT incurred on purchase of assets or services is not recoverable from the Tax Authority, then VAT is recognised as part of the cost of acquisition of asset or as part of the expense item, as applicable
- Receivables and payables, stated in the statement of financial position, are inclusive of VAT.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of other receivables or other payables in the financial statement.

During the ordinary course of business, the company has certain transactions on which the ultimate output VAT is determined based on best interpretations of the applicable laws and industry practices.

j. Critical Accounting Estimates and Judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of judgments. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances.

The areas where various assumptions were exercised in application of accounting policies that are material to the financial statements are as:



JEWEL ONE JEWELLERY L L C
DUBAI, UAE.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024
 (All figures are expressed in U.A.E Dirhams)

4. Material accounting policies (Continuation)

j. Critical Accounting Estimates and Judgments

- i) Useful life of property, plant and equipment.
- ii) Allowance for doubtful debts, specific provisions for individual accounts are recorded based on customer's inability to meet its financial obligations.

k. Foreign Currency Transactions

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates (its functional currency). For the purpose of these financial statements, the financial performance and financial position of the Company are expressed in Arab Emirates Dirhams which is the functional currency of the Company and the presentation currency for these financial statements.

In preparing the financial statements of the Company, transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing at the dates of the transactions.

At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the statement of profit or loss and other comprehensive income.

l. Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. It can also be a present obligation arising from the past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

Contingent assets are not recognized but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognized.

m. Employee's End of Service Indemnity

An accrual is made for the estimated liability for employees' entitlement to gratuity as a result of change in accounting policy based on the services rendered by eligible employees up to the end of the year whereas gratuity has been paid on cash basis till last year.

Provision is made for the full amount of end of service benefits due to employees in accordance with the UAE Labour Law for their period of service up to the end of the year.



JEWEL ONE JEWELLERY L L C
DUBAI, UAE.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024
 (All figures are expressed in U.A.E Dirhams)

4. Material accounting policies (Continuation)

n. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

o. Leases

Company as a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments, variable lease payment and payments of penalties for terminating the lease.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising of the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date, any initial direct costs and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

p. Corporate Income Tax

On 3 October 2022, the United Arab Emirates (UAE) Ministry of Finance ("MoF") issued Federal Decree- Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to implement a new CT regime in the UAE. The new CT regime is applicable for accounting periods beginning on or after 1 June 2023.

Generally, UAE businesses will be subject to a 9% CT rate, however a rate of 0% could be applied to taxable income not exceeding a particular threshold or to certain types of entities, to be prescribed by way of a Cabinet Decision.

The Company is currently assessing the impact of these laws and regulations and will apply the requirements as further guidance is provided by the relevant tax authorities.

q. All the figures are in UAE Dirham and have been rounded off to the nearest Dirham.



JEWEL ONE JEWELLERY L L C
DUBAI, U.A.E.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(All Figures are expressed in U.A.E. Dirhams)

5. PROPERTY, PLANT AND EQUIPMENT

Particulars	Office Equipments	Furniture & Fixtures	Computers & Accessories	Leasehold Improvements	Total
COST					
As at 01.04.2023	62,106	292,761	27,247	258,750	640,864
Additions for the Year	17,133	-	1,048	-	18,180
Disposed off during the year	-	-	-	-	-
As at 31.03.2024	79,239	292,761	28,295	258,750	659,044
ACCUMULATED DEPRECIATION					
As at 01.04.2023	28,180	273,578	18,902	71,120	391,780
Provided for the Year	9,826	4,494	2,014	71,120	87,454
Reversal during the Year	-	-	-	-	-
As at 31.03.2024	38,006	278,072	20,916	142,240	479,234
Net value 31.03.2024	41,233	14,689	7,379	116,510	179,810
Net value 31.03.2023	33,926	19,183	8,345	187,630	249,084

* In the opinion of the management there is no impairment in the value of fixed assets. Hence, the carrying values of the fixed assets at reporting date are same as their net book values.



JEWEL ONE JEWELLERY L L C
DUBAI, UAE.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024
 (All figures are expressed in U.A.E Dirhams)

	31/03/2024	31/03/2023
6. ROU Assets		
Opening Balance	-	-
Add: Addition during the year	181,088	-
Less: Amortization for the year	(90,544)	-
	90,544	-
7. Inventories*		
Physical Stock	23,109,269	24,810,295
Making Charges	1,257,941	1,462,699
	24,367,210	26,272,994
8. Trade and Other Receivables#		
Trade Receivables*	11,611,565	12,570,941
PDC Received	-	37,521
Other Receivables	395,685	1,061,655
	12,007,250	13,670,117

* Inventories has been confirmed by the management.

* As per management trade receivables are fully realizable.

It is net of currency and metal balances.

Trade receivables, represents amounts receivable from third parties as at the reporting date. The Company's trade receivable balances from third parties are not impaired.

In determining the recoverability of a trade receivable, the company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

9. Related Party Transactions

The company in the normal course of business enters into transactions with other business entities that fall within the definition of related party as contained in the International Accounting standard- 24.

Related parties comprise of companies and entities under common ownership, common management and control, their Shareholders and key management personnel as well as relatives of the Shareholders'.

The management decides on the terms and conditions of transactions and of services received/rendered from/to related parties as well as other charges.



JEWEL ONE JEWELLERY L L C
DUBAI, UAE.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024
 (All figures are expressed in U.A.E Dirhams)

9. Related Party Transactions(Continuation)

The company has determined that the amounts due from related parties do not carry a credit risk and hence no expected or specific loss allowance is required on these balances. In the process of making this determination, the company has considered the terms underlying these balances, historical default rates, the ability of the related parties to settle these balances when due and the right of set off on the Group basis. The balances due from related parties are repayable on demand and there is no historical default rate.

The Significant related party balances as at the date of statement of financial position are as under:

		31/03/2024	31/03/2023
Due (to)/from Related party	Nature of		
Emerald Jewel Industry India Ltd	Common	(38,650,532)	(47,642,591)
		<u>(38,650,532)</u>	<u>(47,642,591)</u>
Due (to)/from Related party	Nature of		
Emerald Jewellers Dmcc	Shareholder	5,433,050	10,031,194
		<u>5,433,050</u>	<u>10,031,194</u>

Significant related party transactions as on the reporting date are as follows:

Emerald Jewel Industry India Ltd

Sales	75,748	706,930
Purchases	146,417,694	-

Emerald Jewellers Dmcc

Sales	308,200	183,202
Purchases	-	19,005,487

10. Advance, Deposits and Prepayments

Deposits	59,650	85,233
Advances	962	-
Prepayments	108,528	66,863
	<u>169,140</u>	<u>152,096</u>

11. Cash and Cash Equivalents

Cash on Hand	11,704	31,986
Bank balances in:		
Current accounts	1,324,635	19,531
	<u>1,336,339</u>	<u>51,517</u>



JEWEL ONE JEWELLERY L L C
DUBAI, UAE.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024
(All figures are expressed in U.A.E Dirhams)

11. Cash and Cash Equivalents (Continuation)

Amounts held in banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the United Arab Emirates. Accordingly, the management of the company estimates the loss allowance on deposits at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the banks, the management of the company have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

12. Statutory Reserve

In accordance with the Article 103 of UAE Federal Decree-Law no. (32) of 2021, a minimum of 5% of the net profit of the Company is to be allocated annually to a non distributable statutory reserve. Such allocations may be ceased when the statutory reserve becomes equal to half of the share capital. This reserve is not available for distribution except in the circumstances stipulated by the Law. During the current year, AED 150,000/- has been transferred to the statutory reserve as required by law.

13. Shareholders Current Account*

This represents balance in the current account of Emerald Jewellers DMCC, shareholder of the company.

	31/03/2024	31/03/2023
14. Lease Liability		
Balance at beginning of the year	-	-
Add: Lease Liability for the year	195,778	-
Add: Interest on lease liability	7,636	-
Less: Payments made for the year	(110,996)	-
Balance at end of the year	92,418	-
Current Lease Liability	92,418	-
Non Current Lease Liability	-	-
	92,418	-
15. Trade and Other Payables		
Trade payables*	380,503	1,399,237
PDC Issued	173,855	303,911
Provisions	70,570	15,084
Other Payables	4,017	56,227
	628,945	1,774,459

* It is net of currency and metal balances.



JEWEL ONE JEWELLERY L L C
DUBAI, UAE.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024
(All figures are expressed in U.A.E Dirhams)

	31/03/2024	31/03/2023
16. Administrative, Selling and Other Expenses		
Salaries & Allowances	500,770	542,767
Rent (JOJ Office)	123,381	225,087
Gifts & Donation	2,393	-
Commission- Hedging	70,541	-
Audit Fees	21,305	-
Document Charges	253	-
Electricity & Water Expenses	21,964	-
Insurance	45,638	6,299
Legal & Professional Charges	500	25,490
Office Expenses	14,004	55,694
Postage & Courier Expenses	1,196	-
Printing & Stationery Expenses	2,692	-
Repairs & Maintenance	5,754	-
Security Expenses	17,070	-
Sponsorship Fee Expenses	27,780	40,104
Telephone Fax & Internat Expenses	23,146	48,994
Trade Licence Fee	20,398	-
Travelling & Conveyance	2,069	11,676
Vehicle Expenses	6,885	-
Visa & Immigration Expenses	29,574	35,403
Business Promotion Expenses	194,674	222,608
Staff Welfare Expenses	14,052	-
Maintenance Expenses	-	10,555
Other Expenses	135	-
	<u>1,146,175</u>	<u>1,224,677</u>
17. Bad Debt Expenses		
Bad Debts Written Off	-	202,766
	<u>-</u>	<u>202,766</u>
18. Finance Cost		
Bank Charges	6,741	8,595
Interest on lease liability	7,636	-
Commission For Wps	530	-
	<u>14,907</u>	<u>8,595</u>
19. Other Income		
Exchange Gain	864,336	309,343
Miscellaneous Income	1,928	76,028
Premium Received On Gold	17,201	-
	<u>883,465</u>	<u>385,371</u>



JEWEL ONE JEWELLERY L L C
DUBAI, UAE.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024
 (All figures are expressed in U.A.E Dirhams)

20. Financial Instruments

In accordance with the International Accounting Standard 32 read with International Financial Reporting Standard 7 regarding Financial Instruments the following disclosures are made:

Financial Instruments means financial assets, financial liabilities, and equity instruments.

A. Fair Values

The fair values of the financial assets and financial liabilities approximate to their carrying values.

B. Financial Risk Management Objectives

The company has exposure to the following risks from its use of financial instruments:

Market risk

Credit risk

Liquidity risk

a. Market Risk

Market risk is the risk that changes market prices which will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

i. Foreign Currency Risk Management

The company undertakes certain transactions denominated in foreign currencies. There is no significant foreign currency risk as substantial part of all financial assets and financial liabilities are denominated in U.A.E Dirham or U.S Dollars to which the U.A.E Dirham is fixed.

ii. Interest Rate Risk

Interest on fixed deposits is at fixed interest rates. Interest on call deposits are at floating interest rates. Interest on gold loan from bank is at floating interest rates prevailing in the UAE. No interest has been paid on long term loan received from the Shareholders.

b. Credit Risk

Financial assets that potentially expose the company to credit risk, comprises mainly of bank current and call accounts, trade receivables, margin paid against unfixed gold received, deposits, advances and other receivables.

i. The company's bank current and call accounts are placed with high credit quality financial institutions.

ii. There is no credit risk with respect to margin paid against unfixed gold as this margin is being paid against the receipt of gold on unfixed basis.

iii. Deposits are held with government authorities and are refundable. Advances given and other receivables are recoverable in the opinion of the management.



JEWEL ONE JEWELLERY L L C
DUBAI, UAE.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024
 (All figures are expressed in U.A.E Dirhams)

20. Financial Instruments (Continuation)

c. Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets.

The company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonable be predicted, such as natural disasters.

C. Capital Risk Management

The company's objective when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for Shareholders and to maintain an optimal capital structure to reduce the cost of capital. The Shareholders policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

21. Contingent Liabilities and Capital Commitments

Except for the ongoing business obligation which are under normal course of business against which no loss is expected, there has been no other known contingent liability or capital commitment on Entity's Financial Statement as of reporting date.

22. Comparative Figures

Previous year figure's have been regrouped and rearranged to make them comparable with current year figures.

23. Significant Events occurring after the reporting date

There were no significant events occurring after the reporting date, which require disclosure in the Financial Statements.

For JEWEL ONE JEWELLERY L L C


 MANAGING DIRECTOR

