PCJ

Jeweller for generations

Date: 22/08/2015

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

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

Sub.: Annual Report 2014-15

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

Dear Sir/Madam,

Pursuant to Clause 31 and other applicable clauses, if any, of the Listing Agreement, please find enclosed herewith Annual Report of the Company for the financial year ended 2014-15 alongwith Form A.

Kindly take the same on record.

Thanking you,

Your's sincerely,

For **PC Jeweller Limited**

PC JEWELLER LIMITED New Delhi

(VIJAY PANWAR)
Company Secretary

Encl.: As above

FORM A

Covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	PC Jeweller Limited
2.	Annual financial statements for the year ended	March 31, 2015
3.	Type of audit observation	Unqualified
4.	Frequency of observation	Not applicable
5.	Signed by- For **PC Jeweller Limited** **Balram Garg** Managing Director **Sanjeev Bhatia** Chief Financial Officer **Manohar Lal Singla** Audit Committee Chairman Walker Chandiok & Co LLP For **Walker Chandiok & Co LLP** *(formerly Walker, Chandiok & Co)* Chartered Accountants Firm Registration No. 001076N/N500013 per **Anupam Kumar** Partner Membership No. 501531 **Place :** New Delhi **Date** : July 28, 2015 For **Sharad Jain Associates** Chartered Accountants Firm Registration No. 015201N per **Sharad Jain** Partner Membership No. 83837 **Place :** New Delhi **Date** : July 28, 2015	

THE POWER OF DESIRE

PC JEWELLER LIMITED | ANNUAL REPORT 2014-15

Caution regarding forward-looking statements

This document contains statements about expected future events and financial and operating results of PC Jeweller Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the PC Jeweller Limited Annual Report 2014-15.

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GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing circulars (vide circular nos. 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011 respectively), and allowing paperless compliances by Companies through electronic mode. Recent amendment to the Listing Agreement with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their e-mail ID's for the said purpose. Therefore, the Company is sending the Annual report through e-mail to those Members who have registered e-mail ID's. To further support this initiative Members, whose e-mail ID's have not been registered so far, are requested to register their e-mail ID's with their respective Depository Participants, in respect of holdings in demat form and with the Company's RTA, Karvy Computershare Private Limited, in respect of shares held in physical form.

India is the world's second most populous nation.

In this tradition-bound nation, marriage is the highest social institution.

Besides, in India, one of the oldest human civilisations, gold has held a fascination for ages.

At PC Jeweller, we have created a unique business model addressing the upsides of these multi-century realities.

The result is that despite a challenging 2014-15 for the Indian economy, consumer sentiment and gold jewellery buyers, PC Jeweller reported a 19.22% growth in revenues to ₹634851.64 lac.

WE OUTPERFORMED OUR SECTOR BECAUSE WE DID ONE THING COMPETENTLY OVER TIME.

WE MONETISED DESIRE.

ENDURING FASCINATION.

The basic fascination for gold sustains in India because of its wide acceptance as a storehouse of value.

India is the world's largest gold consuming market with household gold estimated at a massive 20,000 tonnes worth a staggering USD 1 trillion (at current prices).

Gold is considered as a safe haven during emergencies, which can either be liquidated or pledged to raise a loan. In India, it is widely considered auspicious to buy gold during occasions, the biggest being Akshaya Tritya.

MORE MARRIAGES.

The average Indian spends one-fifth of the wealth accumulated over his/her lifetime on his/her child's wedding, second only to the investment made in a family home.

The Indian wedding market is estimated at US$38 billion and at the current growth rate of 25-30% annually, the Indian bridal industry could emerge as the largest wedding market anywhere in the world within two years, surpassing the American wedding market, estimated at around US$50 billion annually.

In India, about 50% of gold demand can be attributed to weddings, which means a massive 400 tonnes of gold is exchanged at weddings in India each year, making it the single largest component of the Indian wedding market worth around $25 billion a year, or about 60% of the total wedding market.

The bride's jewellery at an average high-end wedding in India will have pieces which are $10,000-40,000 each, with an overall budget of about $200,000 spent on jewellery alone.

MORE WEALTH.

A record 90 Indians, with a combined net worth of a mind boggling $295 billion, feature in *Forbes* Billionaires List 2015.

In this list, 28 make their appearance for the first time, indicating the growing presence of new money.

India is home to the fourth largest billionaire population in the world with five Indians among the 100 richest in the world.

MORE OPPORTUNITIES.

Despite India being the second most populous nation of the world, India's per capita gold consumption is a miniscule 0.7 gm, half of that of the US and one-third of the Middle East.

The Indian gems and jewellery market is moving from the unorganised sector to the organised branded players, widening the opportunity for branded players.

India's penchant for gold is culturally linked to its population whose growth rate, at 1.6%, is the highest anywhere in the world and is widely expected to surpass China's population by 2050.

By 2022, India's average age is expected to be 29 years compared with 37 for China, making the youth population in the 20-35 year age group the highest in the world at about 400-450 million, at least 100 million more than the entire population of a continent – Australia.

With the ₹7,000-cr Smart City and ₹21,000 cr NOFN networks proposed, India's broadband speeds and penetration are expected to rise sharply, creating a larger digitally engaged consumer base, which is expected to reach 550 million by 2018.

In turn, this reality is expected to catalyse the offtake of jewellery beyond its conventional sales channel-towards online offtake.

"The Indian gems and jewellery industry developed as an unorganised sector, but the past decade has witnessed the emergence of organised players, with the Government liberalising gold imports into the country. The industry is, however, still fragmented, with local and independent stores constituting roughly 80% of the overall market, in comparison to a much higher proportion of share from organised players (about 50%) in similar markets such as Turkey. However, this skew is increasingly correcting and a large market share is progressively moving to the organised sector in the country. *(Source: - AT Kearney–FICCI 'All that glitters is gold' report.)*

MORE GROWTH AT PC JEWELLER.

PC Jeweller is among India's largest organsied sector jewellers focused on the wedding jewellery market.

The Company stocks a substantial quantum of gold and diamond jewellery, ensuring wider availability and catering to a larger budget range.

The Company has steadily raised its showroom count from 12 to 50 over the past five years, covering a significant area of 3,13,296 sq ft with presence in 17 states of the country.

The Company launches new designs at regular intervals, retaining brand freshness and sustaining marketplace excitement.

PC Jeweller is amongst the fastest growing companies in India's jewellery retailing sector.

PC JEWELLER: LEVERAGING THE POWER OF DESIRE.

Sources: *Conde-Nast*, World Gold Council, *Forbes*, Population Foundation of India, Ministry of Commerce and Industry

PC JEWELLER IS ONE OF THE FASTEST GROWING ORGANISED INDIAN JEWELLERY ENTERPRISES.

THE COMPANY REPORTED A REVENUE AND NET PROFIT COMPOUNDED ANNUAL GROWTH RATE OF 27.7% AND 17.8% RESPECTIVELY, OVER THE PAST THREE YEARS.

Who we are

The brand PC Jeweller took birth on April 13, 2005, when our Company got incorporated in New Delhi under the Companies Act, 1956, as amended ("Companies Act") as a private limited company under the name 'P Chand Jewellers Private Limited' with the Registrar of Companies, National Capital Territory of Delhi and Haryana ("RoC"). Our Company was converted into a public limited company, pursuant to a resolution passed by our shareholders on July 5, 2011, following which our name was changed to 'PC Jeweller Limited', and a fresh certificate of incorporation was issued by the RoC on August 2, 2011. The Company got listed on BSE Limited and National Stock Exchange of India Limited in December 2012. PC Jeweller is one of India's leading players in the Indian gems and jewellery industry.

What we do

At PC Jeweller, we are engaged in the business of jewellery manufacturing, retail and export. The Company's offerings comprise a wide range of products including 100% hallmarked gold jewellery, certified diamond jewellery and other jewellery, including silver articles, with a focus on diamond jewellery and bridal jewellery.

Where we are

Headquartered in Delhi, India, the Company has a pan-India operations with 50 showrooms covering an area of 313,296 sq ft of quality retail estate across 43 cities and 17 states across India as on March 31, 2015.

The Company has four manufacturing units with a covered area of more than 80,000 sq ft. The Company produces nearly 65% of its jewellery in-house. The balance is out sourced to skilled artisans all over the country for getting region specific jewellery. This dual sourcing not only enables the Company to control quality and costs on the one hand but also provides flexibility on the other to cater to demand spikes coinciding with occasions/ seasons.

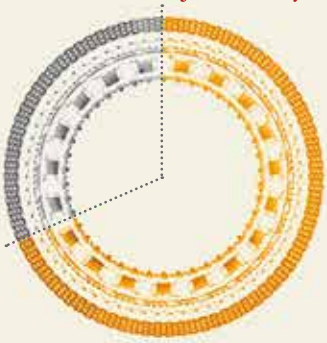
Online presence

In an exciting forward-looking development, PC Jeweller launched its online portal, www.wearyourshine.com, that offers customers access to the jewellery portfolio round-the-clock. It also enables the Company to capture a completely new consumer segment comprising the youth and working women, who are net-savvy and look to jewellery as everyday use products.

Offerings

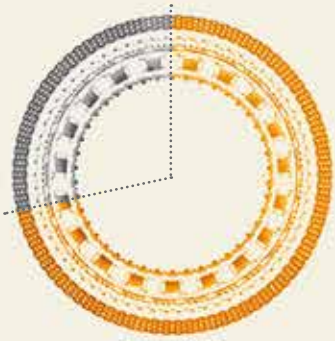
At PC Jeweller, we offer a wide range of casual and bridal ornaments. The Company designs and manufactures ornaments of gold, diamonds and other precious gemstones. In sync with evolving consumer tastes and requirements, the Company launched the Flexia brand in November 2014 that comprises detachable and inter-changeable jewellery that can be adorned as per preference or occasion.

Gold jewellery vs Diamond jewellery*



- Gold jewellery: 68.48%
- Diamond jewellery: 31.52%

Domestic sales vs Export sales



- Domestic sales: 71.5%
- Export sales: 28.5%

KEY OPERATIONAL METRICS

REVENUE (₹ million)

OPERATING PROFIT (₹ million)

CASH PROFIT (₹ million)

POST-TAX PROFIT (₹ million)

45%

CAGR revenue growth in the last six years

11.77%

EBIDTA margin, 2014-15

EARNINGS PER SHARE (₹ million)

RETURN ON EQUITY (%)

DEBT-EQUITY RATIO

RETURN ON CAPITAL EMPLOYED (%)

MESSAGE FROM THE MANAGING DIRECTOR

It gives me immense pleasure to present to you the 10th Annual Report of PC Jeweller Limited. In what has been a welcome change, India's organised gems and jewellery retail market has grown at a much faster pace than the unorganised segment since the gold trade was liberalised with the scrapping of the Gold Control Act in 1990.

Over the past two-and-a-half decades, the organised segment has undergone sweeping changes – in terms of buying habits, wallet sizes and government norms, catalysing the ardent desire of the Indian consumer for gold, a preference that has transcended social, economic, geographical and aesthetic boundaries.

At PC Jeweller, we have reinforced our presence in the country's organised jewellery retailing sector by nurturing demand through the launch of innovative and contemporary products at value for money propositions. The result is that our turnover and net profit grew by a healthy 19.22% and 6.15% in 2014-15.

The signs of a resurgent Indian jewellery sector are visible with the World Gold Council pegging the Indian consumption for gold at 36% of the global jewellery demand. While it is true that India's demand for gold and other precious jewellery has always been insatiable, over the years there has been a distinct change in the way Indians are buying gold, giving jewellers the confidence to step out of their traditional strongholds and enter new markets. There is a new consumer segment out there, which comprises tech-savvy youth, perpetually logged on and relying on peer-generated opinions, which has an immediate and direct bearing on their buying processes. The culmination of all these facets propelled us to come up with our online portfolio, wearyourshine.com, which primarily targets working women and net-savvy youth, thereby enabling us to open up newer ways in which new consumers can experience our brand.

At PC Jeweller, we made our presence felt in strategic locations – opening showrooms in high-street jewellery clusters as well as up-and-coming destinations. We delved deep into consumer psyche and tried to create a retail experience that is personalised and experience-led. This personalised shopping experience has helped democratise the accessibility to jewellery that was earlier the exclusive preserve of the wealthy. Moreover, we extensively studied buying patterns to see how showrooms could best be arranged geographically to increase revenue. The strategies garnered from this research have resulted in our setting up large-sized showrooms – 5,000 square feet and above. This, combined with a sizeable inventory and a wide array of stock keeping units (SKUs), enhances a sense of opulence as well as wider choice across price points. Our proactive supply chain, compliance with established good manufacturing and operating norms and robust corporate governance helps us outcompete the organised jewellery sector in India.

In India, marriages and jewellery are inseparably intertwined. Indian bridal jewellery is well known for its visual appeal, but the reason why every bride or married woman adorns herself with beautiful jewellery goes deeper. It is said that Indian cultures change every 100 kilometres and so do its people, rituals, language and food. However, the tradition of wearing bridal jewellery–which dates back 5,000 years–has strong roots across all cultures and remains an integral part of the Indian lifestyle. India's strong artisan base in Rajkot, Surat, Kolkata and Mumbai among others is steeped with the knowledge of traditional jewellery. At the sametime our talented design team stays updated with evolving trends, ensuring a freshness of merchandise.

We are also actively exploring the asset-light franchisee model, which allows us to save significantly on establishment and operating costs while empowering our brand with a quicker time-to-market. Going forward, we will look at increasingly enlisting as franchises, especially in Tier III and IV cities and towns, which will not just enable a leverage of the entrepreneurial drive and contacts of our local franchisee partner but also enable our customers in these regions to access branded jewellery products. As part of our long-term strategy, we also intend to grow our presence in value-accretive segments, strengthening our profitability.

I am pleased to inform you that recently Deloitte Touche Tohmatsu Limited in its 2nd annual report on Global Powers of Luxury Goods identified our Company as one of the 20 fastest growing luxury goods companies based on Compound Annual Growth Rate (CAGR) from 2011-2013 and also included us as one of the top 100 luxury goods companies around the world based on publicly available data for the fiscal year 2013. According to the report, amongst jewellery and watch companies PC Jeweller was the most consistent high performer, with the highest CAGR from 2011-13, at 32.3%.

Together with robust systems and processes, I invite you to be a part of the PC Jeweller growth story, a company that is a proxy of perpetual demand growth and an increasing preference for jewellery produced by India's organised sector.

Sincerely,

Balram Garg
Managing Director

DON'T JUST WEAR JEWELLERY.

DESIGN NEW JEWELLERY EVERY SINGLE DAY!

That day is past when flowers, chocolates or shimmering trinkets used to be on the top of the shopping list for the nearest and dearest.

Discerning lovers, friends and family instead vie for jewellery today because they serve as symbols of permanence, grandeur and vogue.

The shoppers today are price-conscious, even as they are more value-conscious. Customers will spend their money when they understand the value that they are buying into. When working with a product that adds so much value, the key is to get that message across.

Take, for instance, 'flexible jewellery' launched by PC Jeweller under the Flexia brand that provides value-addition.

So what may look like a dazzling 20-diamond set consisting of just a necklace and a pair of earrings, actually hides within itself almost five to eight individual pieces of jewellery that can be worn as per one's preference or occasion.

This immaculately fashioned assortment of switchable jewellery epitomises the spirit of the age – many from one, more from everything and something new every day.

Simply turn, separate and the elegant pendant, classy bracelet, beautiful maangtika before your eyes will slowly reveal itself to be a part of a unique, cohesive whole.

The master jewellers at the Company, through sheer perseverance, have changed the game yet again with the launch of flexible jewellery, perhaps for the first time in the world.

Empowering women to not just own jewellery – but even design their jewellery – and their look – every single day.

THOUSANDS OF DESIGNS.

HUNDREDS OF OPTIONS. 24-HOUR PURCHASES. ONE SOURCE.

WWW.WEARYOURSHINE.COM

Leveraging decades of presence in the jewellery business in India, PC Jeweller embraced a historic step forward by venturing into the e-commerce space of jewellery retail.

The Company launched the portal, www.wearyourshine.com, in October 2014, which is among the few online organised jewellery retail models in the country. Within only six months of launch to March 2015, the website is already averaging a large number of daily hits with encouraging conversion rates.

The website leverages our in-store PC Jeweller branded product range and democratises availability through anytime anywhere pan-India purchase. The website also offers such conveniences as multiple payment gateways including the popular cash-on-delivery (for purchases under ₹50,000) and assures hallmarking and attractive and discreet packaging. In yet another convenient feature, the site offers in-transit insurance, protecting the customer from theft or pilferage in transit, up to her doorstep. The site also offers the best price guarantee and assures customers that it will match prices if a customer finds a similar product at a lower price on a competiting site.

Through the launch of www.wearyourshine.com, the Company aims to attract a completely new customer segment, including the net-savvy and working women, typically looking at light everyday-wear jewellery. The Company has also put its entire Flexia range online, resulting in robust traction among consumers. In addition, a wide range of gold coins and gold as well as diamond jewellery for both men and women are available online.

PC Jeweller expects the online format to emerge as an attractive complement to its in-showroom sales channel and contribute substantially to the Company's turnover over the next three to five years.

OUR BUSINESS MODEL

Focus on large format showrooms

- Establish typically large format showrooms (spread across an average of 500+ sq ft) in the most attractive high-street locations of a city

- Ideally locate showrooms proximate to jewellery clusters, thereby ensuring high footfalls and promoting higher conversion rates. The Company enjoys a large presence in the wedding jewellery space and, typically, a wedding jewellery customer would like to check out several showrooms before zeroing in on the purchase. Hence, this cluster-led presence ensures that the PC Jeweller brand is a preferred part of an established circuit.

- At a majority of the locations, our showrooms are larger than other jewellers in the catchment area, enabling us to not just stock a larger inventory but also ensure that our showroom stands out among others, creating a psychological consumer pull for our customers.

Larger product variety

- The Company thoroughly surveys existing locations and even extensively maps consumer trends in the catchment before setting up showrooms, which ensures that these stock designs and offerings are aligned with the prevailing demand.

- The Company's maintains an inventory which not only signifies higher consumer alignment with the Company's products but also indicates superior customer and knowledge-driven service that helps close sales successfully.

Product offerings

- The Company does not believe in selling commodity like jewellery items like coins but concentrate on designer items, studded items as well as diamond jewellery, which have higher value additions and hence higher margins.

Procuring gold on lease

- Pursuant to our contract with canalising agencies and international bullion suppliers, the price of gold purchase is fixed within the applicable credit period on the basis of prevailing gold rates on sale to customers.

- This minimises any risk to us relating to gold price fluctuations between the time of raw material procurement and sale of finished product to customers.

- The Company procures its gold requirements from banks via 'gold metal loan' schemes that not only optimises the cost of procurement but also enables the company to hedge against fluctuating gold prices.

Customer centricity

- The Company promises its customers a 100% refund (including VAT) if products are returned within a week. This policy is unique to the Company and is not provided by any other jeweller in the organised sector in the country.

- This policy gives comfort to the customers to buy products and return them or exchange at an immediate future date; however, product returns have been minimal across showrooms.

- We also offer a 100% buyback with disbursements at prevailing gold rates in case of gold jewellery and at a marginal depreciated amount for diamond jewellery.

Hallmarked gold purity

- All PC Jeweller showrooms are equipped with Karatmeters, which can be utilised by any customer to test gold purity.
- In India, quality and purity of gold still remain big issue; especially in Tier I and Tier II locations. The Company's 100% assurance of hallmarked gold purity builds faith and loyalty.
- The Company also provides a quality certificate for all its diamond jewellery and has a well-documented procurement policy with 100% of diamonds procured being conflict-free diamonds.

Robust supply chain management

- The Company has developed strong linkages for the regular supply of gold and diamonds (cut and polished) as well as consumables like packing boxes to ensure that there are no disruptions in production, plus its vast outsourced production network ensures a strong showroom front inventory.
- The Company also has a strong 75-member design team that works on CAD/CAM to develop jewellery that is aligned with contemporary trends; this also helps retain product freshness and sustain market place excitement.

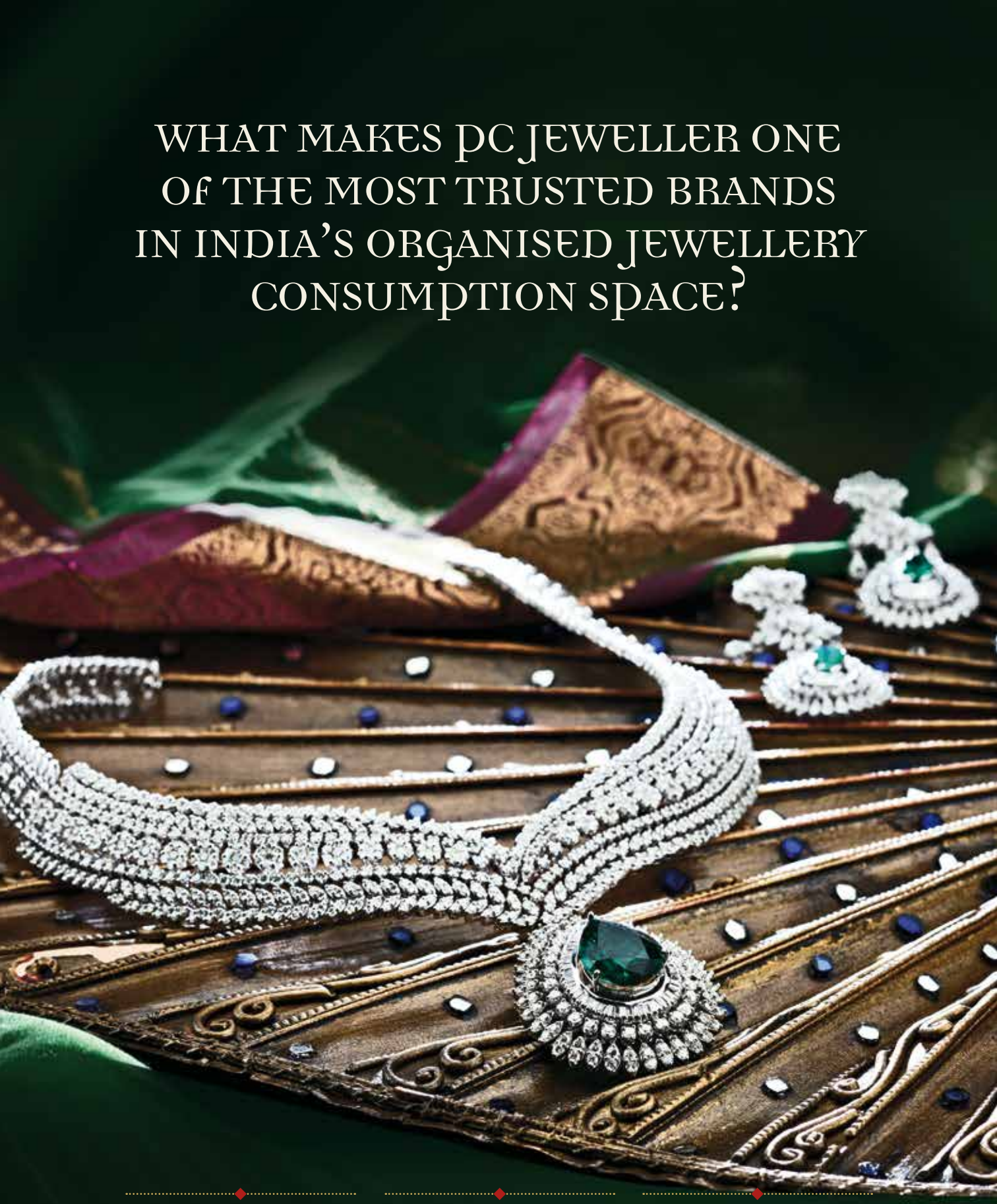
Profitable and self-sustaining growth model

- The Company's existing showrooms are self-sustaining in terms of infrastructure and contemporariness and do not require further capital infusion. The Company is free to deploy its entire accruals in meeting its requirement of new showrooms.
- The Company expects to embrace the franchisee model as a means to scale growth faster; even with this model, the Company proposes to sell its entire inventory stock upfront and outright to its franchisees and not block its own capital in the same, thereby freeing up resources for investing in its own showrooms in metro and Tier I cities.
- The Company's business is strongly cash flow-generative, thus making the Company a cash-positive entity.
- These measures will be RoE-accretive, creating the foundation for long-term sustainable shareholder value creation.

Robust corporate governance

- The Company is audited by M/s Walker Chandrok & Co LLP which is the Indian affiliate of US based Audit Firm - M/s Grant Thronton.
- The Company enjoys creditable ratings – A (long term)/A1 (short term) by Crisil, a subsidiary of Standard and Poors; CARE, another leading rating agency, assigned 4/5 fundamental rating (very good fundamentals) to PC Jeweller.
- Our promoters have over two decades of experience in jewellery retail and product development. They are focused on the core jewellery business and not involved in any other business, 100% of their time and effort invested in the company; PC Jeweller is also ably supported by a professional management team with various well-qualified, and experienced divisional and functional heads.
- Aon Hewitt advises the Company in developing robust HR systems and processes, ensuring that the Company is future-ready in terms of systems and technologies.

WHAT MAKES PC JEWELLER ONE OF THE MOST TRUSTED BRANDS IN INDIA'S ORGANISED JEWELLERY CONSUMPTION SPACE?



3
Promoters have almost three decades of experience in jewellery industry

4
Manufacturing units

50
Operational showrooms

Rich experience

The promoters of PC Jeweller enjoy a rich experience of three decades in the jewellery industry; the Company has evolved from being a completely promoter-run business into a professionally-delegated organisation.

Innovation-led business

The Company possesses a strong team of over 75 designers who create new patterns and designs on a regular basis based on domestic and international design trends, which are exclusive to PC Jeweller. The team develops a substantial number of designs a month within ultra-short production tenures, supported by cutting-edge software.

Strong manufacturing capabilities

The Company's state-of-the-art manufacturing facilities are equipped with the latest equipment for developing diamond jewellery with accuracy and speed. However, the role of skilled artisans in jewellery manufacturing comprises a significant portion of ethnic Indian handmade gold jewellery. The Company has developed and maintained a skilled pool of over 1,000 workers who have the capability and skills of converting paper designs into exquisite jewellery pieces. Presently, PC Jeweller has around 80,000 sq ft dedicated to jewellery manufacture, which serves around 60% of its total demand, while the rest is met through outsourcing.

Ultimate customisation

At PC Jeweller, we manufacture a large percentage of our jewellery in-house. Our customers can be a part of this experience. We allow our customers to choose from a wide range of designs available in our design inventory and then customise the same as per their own wishes.

Widespread brand reach

The Company enjoys a strategic pan-India presence with showrooms spread across metros and Tier I locations along with Tier II and Tier III cities and towns. The Company is present in 45 cities and 17 states across India. To expand its reach, the Company entered the fast-growing online space by launching its e-commerce website www.wearyourshine.com with the aim to become India's finest online fine diamond jewellery portal focusing 100% on customer experience, pricing and designs, along with tie-ups with Flipkart and Snapdeal for jewellery sales.

International presence

PC Jeweller also exports handmade designer gold jewellery for its customers, based all over the world. The Company's export business is a B2B business.

Quality

The Company's products meet stringent national and international standards.

Strong financials

The Company had a net worth of ₹199038 lacs, gearing of 0.30, RoE of 20.58% and ROCE of 22.10% as on 31 March 2015. The net cash generated from operating activities was ₹32382.51 lacs.

Bareilly

Durgapur

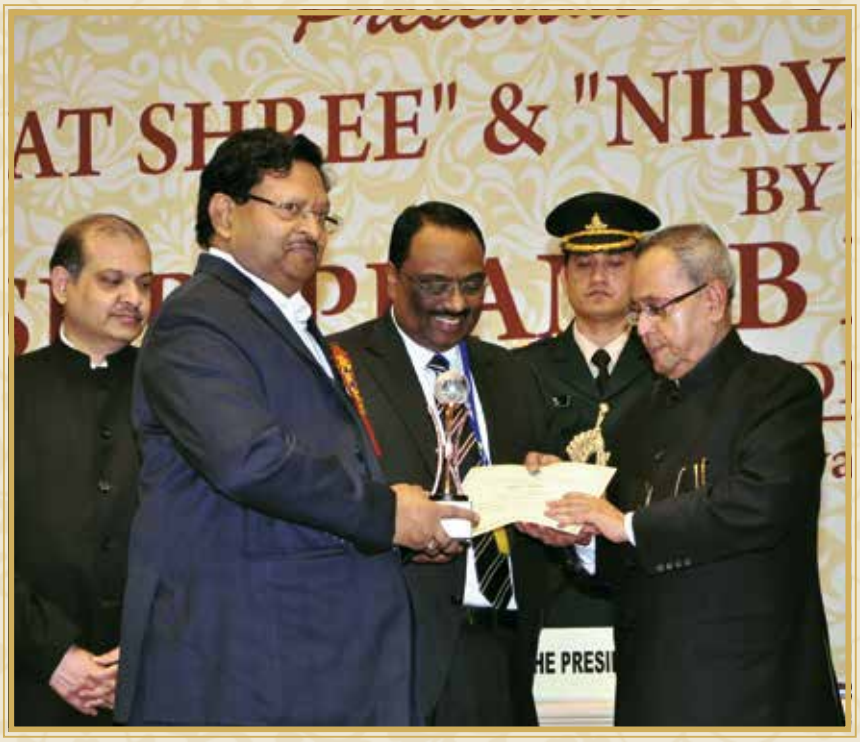
Guwahati

Jaipur

Kolkata

Mathura Patna Ranchi Varanasi

AWARDS AND ACCOLADES



CORPORATE INFORMATION

Board of Directors		
Shri Padam Chand Gupta	:	*Chairman*
Shri Balram Garg	:	*Managing Director*
Shri Ramesh Kumar Sharma	:	*Executive Director & Chief Operating Officer*
Ms. Kusum Jain	:	*Non-Executive Director*
Dr. Manohar Lal Singla	:	*Independent Director*
Shri Krishan Kumar Khurana	:	*Independent Director*
Shri Miyar Ramanath Nayak	:	*Independent Director*
Chief Financial Officer	:	Shri Sanjeev Bhatia
Company Secretary & Compliance Officer	:	Shri Vijay Panwar
Statutory Auditors	:	Walker Chandiok & Co LLP, Chartered Accountants Firm Registration No.: 001076N/N500013 Sharad Jain Associates, Chartered Accountants Firm Registration No.: 015201N
Internal Auditors	:	VGJ & Associates, Chartered Accountants Firm Registration No.: 023431N
Registered Office	:	PC Jeweller Limited C – 54, Preet Vihar, Vikas Marg, Delhi – 110 092 Tel: 011-4971 4971, Fax: 011-49714972
Registrar and Share Transfer Agent (RTA)	:	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 (Telangana) Tel: 040-67161500, Fax: 040-23420814 E-mail: einward.ris@karvy.com
Website	:	www.pcjeweller.com
Corporate Identity Number	:	L36911DL2005PLC134929
ISIN (Equity Share)	:	INE785M01013
BSE Limited (Scrip Code)	:	534809
National Stock Exchange of India Limited (Symbol)	:	PCJEWELLER

STATUTORY SECTION

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 10th Annual Report together with the audited financial statements for the financial year ended March 31, 2015.

FINANCIAL HIGHLIGHTS

The highlights of the standalone financial statements of the Company for the financial year ended March 31, 2015, are as under:

(₹ in lacs, except earnings per share)

Particulars	2014-15	2013-14
Revenue from Operations	6,34,851.64	5,32,482.91
Other Income	5,918.90	4,723.54
Total Revenue	6,40,770.54	5,37,206.45
Profit before Finance Costs, Depreciation and Tax	78,319.92	62,898.28
Less: Finance Cost	22,086.61	14,728.23
Less: Depreciation & Amortisation	2,301.69	1,231.78
Profit before Tax	53,931.62	46,938.27
Less: Tax Expense	16,108.99	11,306.94
Net Profit after Tax	37,822.63	35,631.33
Surplus in the Statement of Profit & Loss – Opening Balance	94,935.22	69,153.16
Amount available for appropriation	1,32,757.85	1,04,784.49
Appropriations:		
Depreciation adjustment	79.54	-
Interim Dividend	-	2,686.50
Proposed Equity Dividend	5,731.20	2,686.50
Dividend Distribution Tax	1,199.25	913.14
Transfer to General Reserves	1,891.13	3,563.13
Surplus in the Statement of Profit & Loss – Closing Balance	1,23,856.73	94,935.22
Earnings per Share:		
Basic	21.12	19.89
Diluted	21.12	19.89

OVERVIEW OF BUSINESS & FINANCIAL PERFORMANCE

Your Company's growth journey continued during the year under review also. The Company opened 9 new showrooms during the year, taking the tally of its total number of showrooms to 50 as on March 31, 2015. The Company opened its Golden Jubilee showroom at Jaipur (Rajasthan). The Company entered into the field of fast growing online space by launching its e-commerce website www.WearYourShine.com. The Company also launched a unique detachable jewellery collection, Flexia, wherein one jewellery set can be worn in 5-6 different unique ways.

During the year under review, revenue from operations on standalone basis increased to ₹6,34,851.64 lacs as compared to ₹5,32,482.91 lacs in the previous year, representing growth of more than 19%. The profit before tax also increased to ₹53,931.62 lacs compared to ₹46,938.27 lacs in the previous year, representing growth of approximately 15%. The share of domestic and export sales in the revenue from operations is ₹4,53,869.91 lacs & ₹1,80,981.73 lacs respectively. The share of diamond jewellery in the revenue from domestic operations increased to 31.52% as against 26.45% in the previous year, which shows that your Company is focusing on sale of high margin diamond jewellery.

RECENT DEVELOPMENTS

After the end of the year, your Company opened remaining 4 new showrooms (one each at Bhagalpur, Durgapur, Siliguri and Yamuna Nagar) out of the 20 showrooms earmarked to be opened from the net Initial Public Offer ("IPO") proceeds of the Company. With this, the Company achieved its IPO objects of opening 20 new retail showrooms and has completely utilized the net IPO proceeds. As on the date of this Report, your Company is having 54 showrooms under 'PC Jeweller' brand located in 45 cities across India.

Your Company has granted 7,26,300 stock options to the eligible employees of the Company on May 14, 2015. Each option entitles the Grantee thereof to apply for and be allotted one equity share of the Company upon vesting.

On August 12, 2015, your Company has issued a Circular in the form of Advertisement inviting unsecured deposits from the Public upto ₹20,000 lacs, in the form of advances for its Jewellery Purchase Scheme "Jewel For Less". The scheme has been rated by Credit Analysis & Research Limited with a rating of CARE A+ (FD), indicating adequate degree of safety regarding timely servicing of financial obligations.

With effect from July 21, 2015, the registered office of the Company was shifted within the local limits of city i.e. from 24/2708, Bank Street, Karol Bagh, New Delhi – 110005 to C – 54, Preet Vihar, Vikas Marg, Delhi – 110092.

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

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹3.20/- per equity share (i.e. @32% of face value ₹10/- each) for the financial year 2014-15, subject to the approval of Members in the ensuing Annual General Meeting.

TRANSFER TO GENERAL RESERVE

Your Company proposes to transfer ₹1,891.13 lacs to the General Reserve.

SHARE CAPITAL

During the year under review, the authorised and paid-up share capital of the Company remained unchanged.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Ms. Kusum Jain was appointed as an Additional Director in the capacity of Non-Executive Director with effect from March 31, 2015. She has wide experience in retail. With her appointment your Company has also complied with the requirement of appointing a women director, according to the Listing Agreement and the Companies Act, 2013. She holds office upto the date of ensuing Annual General Meeting of the Company. The Company has received a notice from a Member proposing her appointment as Director, along with the requisite deposit amount.

Shri Ramesh Kumar Sharma, Executive Director & Chief Operating Officer of the Company retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Brief resumes of the aforesaid Directors form part of the Notice convening the Annual General Meeting.

During the year Shri Balram Garg, Managing Director, Shri Sanjeev

Bhatia, Chief Financial Officer and Shri Vijay Panwar, Company Secretary, were designated as Key Managerial Personnel of your Company, in compliance with the requirement of the Companies Act, 2013.

SUBSIDIARY, ASSOCIATES AND JOINT VENTURE COMPANIES

As on March 31, 2015, your Company has two wholly owned non-material Indian subsidiary companies:

(1) **PC Universal Private Limited:** It is engaged in manufacturing, trading, import, export of all kinds of gold, silver, diamond jewellery and ornaments. Its turnover and net profit for the year were ₹1276.70 lacs and ₹20.86 lacs, respectively.

(2) **Transforming Retail Private Limited:** It was incorporated as wholly owned subsidiary during the year. It is authorised to carry on in India or elsewhere the business to manufacture, buy, sell, distribute or otherwise deal in jewellery, watches, accessories, clothes, gift items etc. through various channels like retail store, online stores, e-commerce, etc. It has not commenced any business activity during the year under review. However, on account of incorporation and ancillary expenses it incurred net loss of ₹0.31 lacs.

In terms of proviso to sub section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiaries is set out in the Form AOC-1, which forms part of this Annual Report.

Your Company does not have any associate or joint venture company.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiaries, prepared in accordance with the Companies Act, 2013 and Accounting Standard AS-21, form part of this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis Report as stipulated under Clause 49 of the Listing Agreement forms part of this Annual Report.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Clause 49 of the Listing Agreement.

NUMBER OF BOARD MEETINGS

During the year seven Board meetings were held on May 22, 2014; July 28, 2014; August 8, 2014; September 13, 2014; November 12, 2014; February 6, 2015 and March 31, 2015. For further details, please refer to Report on Corporate Governance.

AUDIT COMMITTEE

The Audit Committee of the Board comprises of four members, namely Dr. Manohar Lal Singla, Shri Krishan Kumar Khurana, Shri Miyar Ramanath Nayak and Shri Balram Garg. Except Shri Balram Garg, Managing Director, all other members are Independent Directors. Dr. Manohar Lal Singla, an Independent Director, is the Chairperson of the Audit Committee. For further details, please refer to Report on Corporate Governance.

INTERNAL FINANCIAL CONTROLS

Your Company has put in place adequate internal financial controls with reference to the financial statements commensurate with the size and nature of operations of the Company. The Company has appointed an external professional firm as Internal Auditor to regularly carry out review of the internal control systems and procedures. The internal Audit Reports are periodically reviewed by the Audit Committee.

JEWELLERY PURCHASE SCHEME

Your Company had been successfully operating two jewellery purchase schemes, namely Jewel for Less and Swarn Manjusha (here-in-after collectively referred to as "Schemes"), which were not covered within the definition of 'Deposits' under the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975. However, under the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014, the Schemes fall within the definition of Deposits. In view of this and as an abundant precaution your Company withdrew the Schemes and stopped enrollment of new customers under the Schemes w.e.f. April, 2014. ₹113.22 lacs received as advance under the Schemes and remaining unclaimed / unpaid as on March 31, 2015, was transferred to an escrow account, which is utilized only for repayment to the existing customers of the Schemes and not for Company's business purposes.

Your Company through a Postal Ballot resolution, whose result was declared on March 30, 2015, got the approval of Members to invite / accept / renew from time to time unsecured / secured deposits in the form of advances for the Company's Jewellery Purchase Schemes, from the Members of the Company and the Public, up to permissible limits. However, during the year, the Company has not issued any Circular or Circular in the form of Advertisement inviting Deposits.

PARTICULARS OF LOANS, GUARANTEES AND INVESTEMENTS

The details of loans / guarantees given and investments made form part of the notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered during the year were in the ordinary course of business and on arm's length basis. During the year, your 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 Related Party Transactions & Dealing with Related Party. Hence, disclosure in Form AOC - 2 is not required. Details of related parties and transactions with them, as required by the Accounting Standards (AS-18) have been disclosed in the Notes forming part of the financial statements.

EMPLOYEES STOCK OPTION SCHEME

Your Company with the objective of introducing a long term incentive tool to attract, motivate, retain talent and reward loyalty, formulated PC Jeweller Limited Employee Stock Option Plan 2011 ("ESOP 2011"), for grant of a maximum of 26,79,330 stock options to the eligible employees of the Company. The ESOP 2011 was initially approved by the Members in Extra-ordinary General Meeting held on September 26, 2011 and subsequent to the listing of the Company further ratified by them in the 8th Annual General Meeting of the Company held on September 18, 2013. During the year under review, no options were granted, hence, no disclosure as stipulated under the SEBI Guidelines is made.

CREDIT RATING

CRISIL Limited vide its letter dated August 4, 2014, has reaffirmed CRISIL A/Stable (Long-Term Rating) and CRISIL A1 (Short-Term Rating) to the total bank facilities (₹3,65,000 lacs) of the Company and also reaffirmed CRISIL A1 ratings to the Commercial Paper Programme (₹5,000 lacs) of the Company.

India Ratings & Research Private Limited, a Fitch Group Company, vide its letter dated January 8, 2015, has assigned IND A1+ rating to the Commercial Paper Programme (₹5,000 lacs) of the Company.

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

(A) CONSERVATION OF ENERGY

In its endeavour towards conservation of energy your Company equipped all its offices, showrooms and manufacturing units with LED lights. The Company is also exploring use of solar energy for its manufacturing units.

(B) TECHNOLOGY ABSORPTION

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

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings & Outgo during the year are as under:

Earnings : ₹181098.51 lacs
Outgo : ₹67.68 lacs

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

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy against Sexual Harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the year, the Company had not received any complaints on sexual harassment and no complaints were pending as on March 31, 2015.

RISK MANAGEMENT

Your Company has put in place a Risk Management Policy to define a framework for identification, assessment and mitigation of risk. In the opinion of the Board, there are no risks which may threaten the existence of the Company.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

Your Company has formulated a Whistle Blower Policy / Vigil Mechanism, which provides a formal mechanism for all employees and Directors of the Company to report about unethical behavior,

actual or suspected fraud or violation of the Company's code of conduct or an event he becomes aware of that could have a detriment effect on the business or reputation of the Company and provides reassurance that they will be protected from reprisals or victimization for whistle blowing. The Policy has been posted on the Company's website. No Whistle Blower was denied access to the Audit Committee of the Company.

BOARD EVALUATION

In accordance with the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of your Company on the recommendation of Nomination and Remuneration Committee, laid down Criteria for evaluation of Board, its Committees and individual Directors and accordingly carried out the evaluation process. The process was based on evaluation forms, which include a rating mechanism. Independent Directors at their separate meeting also reviewed the performance of the Board as a whole, Non-Independent Directors and the Chairman. Ms. Kusum Jain, being appointed as Additional Director on March 31, 2015, was excluded from the process of evaluation.

The criteria for performance evaluation of Board and its Committees amongst others includes their structure and composition, processes, information and functioning, terms of reference of the Committees, suggestions / recommendations by the Committees to the Board etc.

The criteria for performance evaluation of Directors including Executive & Independent Directors amongst others includes their attendance and contribution at meetings, devotion of time and effort to understand the Company, its business, their duties and responsibilities, leadership qualities and effectiveness of communication with all stakeholders, impact and influence on Board / Committees and adherence to the Code of Conduct etc.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are 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 this 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.

AUDITORS & AUDITORS REPORT

STATUTORY AUDITORS

M/s Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) and M/s Sharad Jain Associates, Chartered Accountants (Firm Registration No. 015201N), Joint Statutory Auditors of the Company, are retiring at the conclusion of the ensuing Annual General Meeting and being eligible, offered themselves for re-appointment. The Company has received their consent letters and certificates to the effect that their appointment, if made, would be within the limits prescribed under Section 141 of the Companies Act, 2013 and that they are not

disqualified from being appointed as the Joint Statutory Auditors of the Company.

The notes to the financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further explanations or comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Shri Randhir Singh Sharma, Proprietor M/s R S Sharma & Associates, Company Secretaries, New Delhi to conduct the Secretarial Audit of the Company for the financial year 2014-15. The Secretarial Audit Report is annexed herewith as "Annexure - 1" to this Report. The Secretarial Audit Report does not contain any qualification, observation or adverse remarks.

CORPORATE GOVERNANCE REPORT

Your Company believes in the principle of corporate governance and is committed to maintain the highest standards of Corporate Governance. The detailed Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of this Annual Report. The Certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance is annexed as "Annexure – 2" to this report.

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company, is annexed as "Annexure – 3", to this Report.

CORPORATE SOCIAL RESPONSIBILITY

Social responsibility has always been at the forefront of your Company's operating philosophy. As a responsible corporate citizen, the Company tries to contribute towards social causes on a regular basis. On the recommendation of Corporate Social Responsibility Committee ("CSR Committee"), the Board of the Company at its meeting held on November 12, 2014, approved the Corporate Social Responsibility Policy, which is also placed on the Company's website www.pcjeweller.com. CSR programs or projects to be undertaken by the Company in terms of this Policy, shall relate to one or more activities listed in Schedule VII of the Companies Act, 2013, at present or as may be amended from time to time. The CSR Committee comprises of Dr. Manohar Lal Singla, Independent Director (Chairman), Shri Krishan Kumar Khurana, Independent Director (Member) and Shri Ramesh Kumar Sharma, Executive Director (Member).

The Annual Report on CSR activities as per the Companies (Corporate Social Responsibility Policy) Rules, 2014, in the prescribed format, is annexed as "Annexure – 4" to this Report.

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

The Company's Policy on Directors' appointment & remuneration and Criteria for determining qualifications, positive attributes & independence of a Director are annexed as "Annexure – 5" and "Annexure – 6" to this Report.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form No. MGT-9 is annexed as "Annexure – 7" to this report.

ACKNOWLEDGEMENT

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, regulatory and government authorities for their continued support.

For and on behalf of the Board

Sd/-

(PADAM CHAND GUPTA)

Chairman

DIN: 00032794

Date: August 13, 2015

Place: New Delhi

Annexure – 1

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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's 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, 2015 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 PC Jeweller Limited ("the Company") for the financial year ended on 31st March, 2015 according to the provisions as applicable to the Company during the period of:

(I) The Companies Act, 2013 (the Act) and the rules made there under;

(II) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the 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 and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
2. The Securities and Exchange Board India (Prohibition of Insider Trading) Regulations, 1992;
3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009;
4. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999.
5. 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 to the extent of securities issued;
6. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. Not Applicable;
7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. Not Applicable; and
8. 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 based on their sector/industry, are:

1. The Information Technology Act, 2000
2. The Special Economic Zone Act, 2005
3. The Indian Copyright Act, 1957
4. The Trade Marks Act, 1999
5. Standard Weights and Measurement Act, 1976
6. Shops and Establishment Act, 1948
7. Bureau of Indian Standards (BIS) (Hallmarking)

We have also examined compliance with the applicable clauses of the following:

(I) Secretarial Standards issued by The Institute of Company Secretaries of India. Not applicable for the financial year 2014-2015.

(II) The Listing Agreements entered into by the Company with the National Stock Exchange of India Ltd. and BSE Limited, where the equity shares of the Company are listed.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

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 Meeting, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.

All decisions of the Board meetings and committee meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or Committee/s of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with Central, State and specific applicable laws including labour laws, environmental and industrial laws, rules, regulations and guidelines.

We further report that during the audit period, the company has following specific events/actions that having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. The Company has complied with minimum public shareholding.
2. Passing of resolutions through Postal Ballot, for:-
   a) Substituting a new set of Articles of Association of the Company.
   b) Exercising borrowing powers up to ₹6000 crores and creation of charge/mortgage etc.
   c) Inviting/accepting from time to time unsecured/secured deposits in the form of advances for the Company's Jewellery Purchase Schemes up to permissible limits.

For R S Sharma & Associates

Sd/-

(RANDHIR SINGH SHARMA)

Proprietor

Date: 01/08/2015

Place: New Delhi

Certificate of Practice No.: 3872

Membership No.: FCS-2062

Note: This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

ANNEXURE-A

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

1. Maintenance of secretarial record 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 the random 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.
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 random 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 R S Sharma & Associates

Sd/-
(RANDHIR SINGH SHARMA)
Proprietor
Certificate of Practice No.: 3872
Membership No.: FCS-2062

Date: 01/08/2015
Place: New Delhi

Annexure – 2

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

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

We have examined the compliance of conditions of Corporate Governance by PC Jeweller Limited, (the "Company"), for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreements of the Company with the Stock Exchanges.

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 stipulated in the above mentioned Listing Agreements except compliance of proviso to Clause 49(II)(A)(2) only on March 31, 2015.

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 R S Sharma & Associates

Sd/-
(RANDHIR SINGH SHARMA)
Proprietor
CP No.: 3872
FCS No.- 2062

Date: 01/08/2015
Place: New Delhi

Annexure – 3

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 the financial year 2014-15:

Median remuneration of employees for the financial year 2014-15: ₹1,72,920/-

Name of Director	Ratio
Non-Executive Director	
Shri Padam Chand Gupta	0.95
Dr. Manohar Lal Singla	0.75
Shri Krishan Kumar Khurana	0.87
Shri Miyar Ramanath Nayak	0.46
Ms. Kusum Jain	*
Executive Director	
Shri Balram Garg	346.98
Shri Ramesh Kumar Sharma	15.79

* Details not given as Ms. Kusum Jain was appointed as Additional Director w.e.f. March 31, 2015 and has not received any remuneration as Director.

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15:

Name	Percentage increase in remuneration
Non-Executive Director*	
Shri Padam Chand Gupta	63.37%
Dr. Manohar Lal Singla	145.28%
Shri Krishan Kumar Khurana	123.88%
Shri Miyar Ramanath Nayak	**
Ms. Kusum Jain	***
Executive Director	
Shri Balram Garg	Nil
Shri Ramesh Kumar Sharma	****
Chief Financial Officer	
Shri Sanjeev Bhatia	Nil
Company Secretary	
Shri Vijay Panwar	Nil

* W.e.f. April 1, 2014, the sitting fee payable to the Non-Executive Directors had been increased to ₹10,000/- and ₹5,000/- respectively from ₹5,000/- and ₹2,000/-, for attending each meeting of the Board and any of its Committees.

** Details not given as Shri Miyar Ramanath Nayak was Director only for part of the financial year 2013-14 i.e. w.e.f. February 7, 2014.

*** Details not given as Ms. Kusum Jain was a not a Director in the financial year 2013-14.

**** Details not given as Shri Ramesh Kumar Sharma was Director only for part of the financial year 2013-14 i.e. w.e.f. February 7, 2014.

(iii) The percentage increase in the median remuneration of employees in the financial year 2014-15: 15.84%

(iv) The number of permanent employees on the rolls of company as on March 31, 2015: 2,444

(v) The explanation on the relationship between average increase in remuneration and company performance:
Average increase in median remuneration is 15.84% and average increase in Profit before Tax is 14.90%. Hence, the average increase in median remuneration is in line with average increase in Profit before Tax.

(vi) Comparison of the Remuneration of the Key Managerial Personnel against the performance of the Company:

Particulars	₹ in Lacs
Total remuneration of Key Managerial Personnel during financial year 2014-15	639.00
Profit before tax (PBT)	53931.62
Remuneration (as % of PBT)	1.18%

(vii) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2015	March 31, 2014	% Change
BSE Limited			
Market Capitalisation (₹ in Lacs)	569090.25	173279.25	228.42
Price Earnings Ratio	15.04	4.86	209.47
National Stock Exchange of India Limited			
Market Capitalisation (₹ in Lacs)	568821.60	173547.90	227.76
Price Earnings Ratio	15.04	4.87	208.83

(viii) Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

Particulars	March 31, 2015 (Closing Price) (₹)	IPO Price (₹)	Change (%)
BSE Limited	317.75	135	135.37
National Stock Exchange of India Limited	317.60	135	135.26

(ix) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
Average increase in the remuneration of all employees excluding key managerial personnel is 15.84% and average increase in the remuneration of key managerial personnel is Nil.

(x) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company:

(₹ in lacs)

Particulars	Shri Balram Garg Managing Director	Shri Sanjeev Bhatia Chief Financial Officer	Shri Vijay Panwar Company Secretary
Remuneration	600.00	26.00	13.00
Profits before tax (PBT)	53931.62	53931.62	53931.62
Remuneration (as % of PBT)	1.11%	0.05%	0.02%

(xi) The key parameters for any variable component of remuneration availed by the directors: Not Applicable

(xii) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Not Applicable

Affirmation:
Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management 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) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) Employed throughout the financial year and in receipt of remuneration aggregating not less than ₹60 lacs per annum

Name	Shri Balram Garg
Designation	Managing Director
Remuneration received	₹600 lacs
Nature of employment	Contractual
Qualification	B.Com.
Experience	26 Years
Date of commencement of employment	April 16, 2005
Age	45 Years
Previous employment	None
Percentage of Equity Shares held	37.38
Relative Director/Manager	Shri Padam Chand Gupta & Ms. Kusum Jain

(ii) Employed for part of the year and in receipt of remuneration aggregating not less than ₹5 lacs or more per month

None

(iii) 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.

Name	Shri Nitin Gupta*	Shri Sachin Gupta
Designation	President (Diamond Manufacturing)	President (Gold Manufacturing)
Remuneration received	₹38.33 lacs	₹30 lacs
Nature of employment	Contractual	Contractual
Qualification	B. Com.	B.Com.
Experience	14 Years	19 Years
Date of commencement of employment	July 1, 2013	July 1, 2013
Age	36 Years	39 Years
Previous employment	PC Jeweller Limited	PC Jeweller Limited
Equity Shares held	Nil	2.19%**
Relative Director/Manager	Shri Padam Chand Gupta	Shri Padam Chand Gupta

* Shri Nitin Gupta drawn remuneration more than the remuneration drawn by a whole-time director but do not hold, by himself or along with his spouse and dependent children, two percent or more of the equity shares of the Company.

** Aggregate equity shares held by Shri Sachin Gupta alongwith his spouse.

For and on behalf of the Board

Sd/-

(PADAM CHAND GUPTA)

Chairman

DIN: 00032794

Date: August 13, 2015

Place: New Delhi

Annexure – 4

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:
   On the recommendation of Corporate Social Responsibility Committee, the Board of the Company at its meeting held on November 12, 2014 approved the Corporate Social Responsibility Policy.

   This Policy outlines the Company's philosophy as a responsible corporate citizen of India. It also lays down the guidelines and mechanism for undertaking socially useful programs for welfare & 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 this Policy, shall relate to one or more activities listed in Schedule VII of the Companies Act, 2013, at present or as may be amended from time to time.

   The Corporate Social Responsibility Policy of the Company is available on the website of the Company and can be accessed through http://www.pcjeweller.com/wp-content/uploads/2015/06/investors/corporate-governance/ PCJ_CSR%20Policy.pdf.

2. The Composition of the CSR Committee:
   1. Dr. Manohar Lal Singla, Independent Director (Chairman)
   2. Shri Krishan Kumar Khurana, Independent Director (Member)
   3. Shri Ramesh Kumar Sharma, Executive Director (Member)

3. Average net profit of the company for last three financial years: ₹36,630.47 lacs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹732.61 lacs

5. Details of CSR spent during the financial year:
   (a) Total amount to be spent for the financial year: ₹732.61 lacs
   (b) Amount unspent, if any: ₹732.61 lacs
   (c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs **Sub-heads:** (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
	TOTAL	None	None	N.A.	N.A.	Nil	Nil

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report:
   The Company welcomes the new CSR requirements. It was however, unable to set up the requisite in-house expertise including human resources for identifying and carrying out suitable and sustainable CSR activities, which would have been in conformity not only with the law but also the spirit behind the law and therefore missed its expenditure targets. It has since then rectified these deficiencies and is confident that it will be able to report 100% compliance with the laid down requirements in future.

7. Responsibility Statement:
   The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-
(BALRAM GARG)
(Managing Director)

Sd/-
(MANOHAR LAL SINGLA)
(Chairman CSR Committee)

Date: August 13, 2015
Place: New Delhi

Annexure – 5

NOMINATION & REMUNERATION POLICY

1) PREFACE

PC Jeweller Limited (the "Company") has always considered human resources as invaluable assets of the Company. The Nomination & Remuneration Policy (the "Policy") of the Company is designed to identify the person for appointment as Director, Key Managerial Personnel ("KMP") and other Senior Management Personnel ("SMP") and to attract, motivate, improve productivity 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 and to ensure that the remuneration to Directors, KMP and other SMP matches the levels prevailing in the industry and comparable companies, whilst also taking into consideration the required competencies, efforts and scope of their responsibilities and duties.

In accordance with the provisions of Section 178 of the Companies Act, 2013 and the Rules made thereunder and amended Clause 49 of the Listing Agreements with Stock Exchanges, the Nomination and Remuneration Committee, is required to identify persons who are qualified to become directors and recommend to the Board a policy, relating to the remuneration of the Directors, KMP and other employees. In order to comply with this requirement, the Nomination and Remuneration Committee has recommended this Policy and the Board of the Company approved the same at its meeting held on November 12, 2014.

2) POLICY OBJECTIVE

The objective of this Policy is to recommend to the Board a policy, relating to the nomination of persons who are qualified to become Directors and remuneration of the Directors, KMP and other employees.

3) DEFINITIONS

3.1) "Act" means the Companies Act, 2013.

3.2) "Board" means the Board of Directors of the Company.

3.3) "Company" means PC Jeweller Limited.

3.4) "Director" means a Director appointed on the Board of the Company.

3.5) "Independent Director" means a director as defined under the Act and the Listing Agreements with Stock Exchanges.

3.6) "Key Managerial Personnel (KMP)" means the person(s) appointed as such under Section 203 of the Act.

3.7) "Nomination and Remuneration Committee (Committee)" means a Committee of Board of the Company, constituted in accordance with the provisions of Section 178 of the Act read with Clause 49 of the Listing Agreements with Stock Exchanges.

3.8) "Policy" means Nomination & Remuneration Policy.

3.9) "Senior Management Personnel (SMP)" means personnel of the Company who are members of its core management team excluding Board of Directors comprising of all members of management one level below the executive directors, including the functional heads

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Act or Clause 49 of the Listing Agreements with Stock Exchanges, as may be amended from time to time shall have the same meaning respectively assigned to them therein.

4) APPOINTMENT OF DIRECTORS, KMP & SMP

4.1) The Committee shall identify and ascertain the qualifications, expertise and experience of the person for appointment as Director, and recommend to the Board his/her appointment. Before recommending a person's candidature to the Board, the Committee may consider following criteria as guidelines:

- Individuals of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
- Individuals having financial or business literacy/skills.
- Individuals having jewellery industry experience.
- Individuals having other qualification/experience to meet the objectives of the Company.
- As per the applicable provisions of the Act and Rules made thereunder and Clause 49 of Listing Agreement, as amended from time to time.

4.2) A person to be appointed as KMP or SMP should possess adequate relevant qualification, expertise and experience for the position he / she is considered for.

4.3) The Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate and to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for appointment as Director / KMP / SMP.

5) REMUNERATION TO WHOLE-TIME / EXECUTIVE / MANAGING DIRECTOR

5.1) REMUNERATION

The Whole-time / Executive / Managing Director will be eligible for remuneration by way of salary, allowances, perquisites and other benefits, if any, as may be approved by the shareholders on the recommendation of the Board and the Committee. They may also be paid commission based on the net profits of the Company.

However, the remuneration / commission etc. to be paid to the Whole-time / Executive / Managing Director shall be in accordance with the provisions of the Act and the Rules made thereunder or any other law for the time being in force, as may be amended from time to time.

5.2) MINIMUM REMUNERATION

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time / Executive / Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

6) REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR

6.1) SITTING FEES

Non-Executive / Independent Director will receive such remuneration by way of sitting fee for attending meetings of the Board or Committees thereof, as may be approved by the Board from time to time:

Provided that the amount of such fee shall not exceed Rupees one lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

6.2) COMMISSION

Commission may be paid to Non-Executive / Independent Director within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company, if there is a Managing or Whole-time Director, or 3% of the net profits of the Company in any other case.

6.3) STOCK OPTIONS

An Independent Director shall not be entitled to any stock option of the Company.

7) REMUNERATION TO KMP (EXCLUDING WHOLE-TIME / EXECUTIVE / MANAGING DIRECTOR) AND SMP

The KMP (excluding Whole-time / Executive / Managing Director) and SMP of the Company will be paid remuneration by way of salary, allowances, perquisites and other benefits, if any, as per the Company's policies and / or as may be approved by the Committee based on their experience, expertise, qualifications, scope of responsibilities and duties, industry standards etc.

8) REMUNERATION TO OTHER EMPLOYEES

Other employees of the Company will be paid remuneration as per the Company's policies and / or as may be decided by the Managing Director based on their experience, expertise, qualifications etc.

9) GENERAL

9.1) The Policy will apply to all employment(s) / engagement(s) with the Company, whether continuing or future.

9.2) In addition to normal / regular remuneration, PC Jeweller Limited Employee Stock Option Plan 2011 ("ESOP 2011") is also in place for eligible employees of the Company. The objectives of the ESOP 2011 are to attract, motivate and retain talent and reward loyalty etc.

9.3) The remuneration / commission etc. to the Whole-time / Executive / Non-Executive / Managing / Independent Director will be recommended by the Committee to the Board for approval and shall be subject to the approval of the shareholders of the Company and/or Central Government, wherever required.

9.4) The Remuneration to be paid to KMP, SMP and other employees shall also be governed by the limits and requirements, if any, as may be prescribed under the Act and Rules made thereunder or any other law for the time being in force.

9.5) Where any insurance is taken by the Company on behalf of its Directors and KMP for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel:

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

10) SCOPE LIMITATION

In the event of any conflict between the provisions of this Policy and of the Listing Agreement / Act or any other statutory enactments, rules, the provisions of such Listing Agreement / Act or statutory enactments, rules shall prevail over this Policy.

11) AMENDMENT

The Board on its own or as per the recommendations of the Committee can amend or modify this Policy in whole or in part, as and when deem fit.

Annexure – 6

CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR

1) PREFACE

In accordance with the provisions of Section 178 of the Companies Act, 2013 and the Rules made thereunder and amended Clause 49 of the Listing Agreements with Stock Exchanges, the Nomination and Remuneration Committee, is required to formulate criteria for determining qualifications, positive attributes and independence of a director. Accordingly, the Nomination and Remuneration Committee has recommended this criteria and the Board of the Company approved the same at its meeting held on November 12, 2014.

2) CRITERIA OBJECTIVE

The objective of the criteria is to determine qualifications, positive attributes and independence of a director.

3) CRITERIA FOR DETERMINING QUALIFICATIONS FOR APPOINTMENT OF DIRECTORS (INCLUDING INDEPENDENT DIRECTORS)

- Individuals of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
- Individuals having financial or business literacy/skills.
- Individuals having jewellery industry experience.
- Individuals having other qualification/experience to meet the objectives of the Company.
- As per the applicable provisions of the Act and Rules made thereunder and Clause 49 of Listing Agreement, as amended from time to time.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate(s).

4) CRITERIA FOR DETERMINING POSITIVE ATTRIBUTES OF DIRECTORS (INCLUDING INDEPENDENT DIRECTORS)

- Should demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Should uphold ethical standards of integrity and probity and act objectively and constructively.
- Should be forward looking, ethical and law abiding.
- Should actively update knowledge and skills with the latest developments in the jewellery industry, market conditions and applicable legal provisions.
- Should be willing to devote sufficient time and attention to professional obligations for informed and balanced decision making and discharge responsibilities in a bona-fide manner in the interest of the company.
- Should assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, resources, key appointments and standards of conduct.
- Should have ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- Should act within authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.
- Independent Directors should meet the requirements of the Act and Rules made thereunder and Clause 49 of the Listing Agreement, as amended from time to time.

5) CRITERIA FOR DETERMINING INDEPENDENCE OF INDEPENDENT DIRECTORS

An Independent director should meet the requirements of the Act and the Rules made thereunder and Clause 49 of the Listing Agreement, as amended from time to time, concerning independence of directors.

5.1) INDEPENDENCE REVIEW PROCEDURES

5.1.1) ANNUAL REVIEW

The director's independence for the independent director will be reviewed by the Board on an annual basis upon the declarations made by such Directors as per the provisions of the Act and the Rules made thereunder / Listing Agreement.

5.1.2) NOTICE OF CHANGE OF INDEPENDENT STATUS

Each independent director has an affirmative obligation to inform the Board of any change in circumstances that may affect his or her independence.

6) AMENDMENT

The Board on its own or as per the recommendations of the Committee can amend or modify this Policy in whole or in part, as and when deem fit.

Annexure – 7

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L36911DL2005PLC134929
ii)	Registration Date	13/04/2005
iii)	Name of the Company	PC JEWELLER LIMITED
iv)	Category / Sub-Category of the Company	Limited by shares / Non-Government Company
v)	Address of the Registered office and contact details	C-54, Preet Vihar, Vikas Marg, Delhi–110092 Tel: 011-49714971, Fax: 011-49714972 e-mail: vpanwar.cs@pcjewellers.com
vi)	Whether listed company (Yes / No)	Yes (Listed on BSE Limited and National Stock Exchange of India Limited)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032 (Telangana) Tel: 040-67161500, Fax: 040-23420814 E-mail: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company:

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Jewellery	3211 (As per NIC-2008)	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	PC Universal Private Limited T-302, Raj Kamal Sadan, Plot No.14, Preet Vihar Community Centre, Delhi-110092	U36912DL2013PTC248867	Subsidiary	100	2(87)
2	Transforming Retail Private Limited 2716, First Floor, Bank Street, Karol Bagh, Delhi-110005	U52100DL2014PTC271871	Subsidiary	100	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01/04/2014)				No. of Shares held at the end of the year (31/03/2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS*									
(1) Indian									
a) Individual/ HUF	126352850	0	126352850	70.55	126352850	0	126352850	70.55	0.00
b) Central Govt.	0	0	0	0	0	0	0	0	0.00
c) State Govt.(s)	0	0	0	0	0	0	0	0	0.00
d) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
e) Banks / FI	0	0	0	0	0	0	0	0	0.00
f) Any Other….	0	0	0	0	0	0	0	0	0.00
Sub-total (A)(1):-	126352850	0	126352850	70.55	126352850	0	126352850	70.55	0.00
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0.00
b) Other – Individuals	0	0	0	0	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
d) Banks / FI	0	0	0	0	0	0	0	0	0.00
e) Any Other….	0	0	0	0	0	0	0	0	0.00
Sub-total (A)(2):-	0	0	0	0	0	0	0	0	0.00
Total shareholding of Promoters (A) = (A)(1)+(A)(2)	126352850	0	126352850	70.55	126352850	0	126352850	70.55	0.00
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	5343797	0	5343797	2.98	399090	0	399090	0.22	(2.76)
b) Banks / FI	13279	0	13279	0.01	4292	0	4292	0	(0.01)
c) Central Govt	0	0	0	0	0	0	0	0	0.00
d) State Govt(s)	0	0	0	0	0	0	0	0	0.00
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
f) Insurance Companies	0	0	0	0	0	0	0	0	0.00
g) FIIs	23316806	0	23316806	13.02	31610413	0	31610413	17.65	4.63
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
i) Others	0	0	0	0	0	0	0	0	0.00
Sub-total (B)(1):-	28673882	0	28673882	16.01	32013795	0	32013795	17.87	1.86
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	12836818	0	12836818	7.17	10610815	0	10610815	5.93	(1.24)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	3894518	743	3895261	2.17	2051477	843	2052320	1.15	(1.02)
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	6712932	0	6712932	3.75	7847316	0	7847316	4.38	0.63
c) Others									
Qualified Foreign Investor	188443	0	188443	0.11	0	0	0	0	(0.11)
Non Resident Indians	86910	0	86910	0.05	168021	0	168021	0.09	0.04
Clearing Members	164204	0	164204	0.09	54883	0	54883	0.03	(0.06)
Trusts	188700	0	188700	0.11	0	0	0	0	(0.11)
Sub-total (B)(2):-	24072525	743	24073268	13.44	20732512	843	20733355	11.58	(1.86)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	52746407	743	52747150	29.45	52746307	843	52747150	29.45	0.00
C. Shares held by Custodian for GD₹& AD₹	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	179099257	743	179100000	100	179099157	843	179100000	100	0.00

* Including Promoter Group.

B. Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year (31.03.2015)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Shri Balram Garg	66951050	37.38	0	66951050	37.38	0	0
2	Shri Padam Chand Gupta	50371800	28.12	0	50371800	28.12	0	0
	Total	117322850	65.51	0	117322850	65.51	0	0

C. Change in Promoters' Shareholding (please specify, if there is no change)

There is no change in Promoters' shareholding during financial year 2014- 15.

D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs :

Sl No.	For each of the top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	IDRIA LIMITED				
	At the beginning of the year (01/04/2014)	0	0.00		
	Increase/(Decrease) in Shareholding during the year				
	27/02/2015 - Purchase	5429322	3.03	5429322	3.03
	06/03/2015 - Purchase	1309402	0.73	6738724	3.76
	13/03/2015 - Purchase	557000	0.31	7295724	4.07
	20/03/2015 - Purchase	593994	0.33	7889718	4.41
	At the End of the year (31/03/2015)			7889718	4.41
2	KRISHNA DEVI				
	At the beginning of the year (01/04/2014)	5340000	2.98		
	Increase/(Decrease) in Shareholding during the year	0	0	5340000	2.98
	At the End of the year (31/03/2015)			5340000	2.98
3	DVI FUND MAURITIUS LTD				
	At the beginning of the year (01/04/2014)	13446680	7.51		
	Increase/(Decrease) in Shareholding during the year				
	04-04-2014 - Transfer	(73000)	0.04	13373680	7.47
	11-04-2014 - Transfer	(182100)	0.10	13191580	7.37
	18-04-2014 - Transfer	(264759)	0.15	12926821	7.22
	25-04-2014 - Transfer	(261141)	0.15	12665680	7.07
	02-05-2014 - Transfer	(123488)	0.07	12542192	7.00
	09-05-2014 - Transfer	(192620)	0.11	12349572	6.90
	16-05-2014 - Transfer	(161892)	0.09	12187680	6.80
	23-05-2014 - Transfer	(849802)	0.47	11337878	6.33
	30-05-2014 - Transfer	(135000)	0.08	11202878	6.26
	06-06-2014 - Transfer	(319843)	0.18	10883035	6.08
	13-06-2014 - Transfer	(445157)	0.25	10437878	5.83
	11-07-2014 - Transfer	(570000)	0.32	9867878	5.51
	18-07-2014 - Transfer	(462000)	0.26	9405878	5.25
	25-07-2014 - Transfer	(645000)	0.36	8760878	4.89
	01-08-2014 - Transfer	(263878)	0.15	8497000	4.74
	05-09-2014 - Transfer	(110000)	0.06	8387000	4.68
	12-09-2014 - Transfer	(407106)	0.23	7979894	4.46
	17-10-2014 - Transfer	(552492)	0.31	7427402	4.15
	24-10-2014 - Transfer	(194260)	0.11	7233142	4.04
	31-10-2014 - Transfer	(1178248)	0.66	6054894	3.38
	21-11-2014 - Transfer	(145773)	0.08	5909121	3.30
	28-11-2014 - Transfer	(728)	0.00	5908393	3.30
	05-12-2014 - Transfer	(677499)	0.38	5230894	2.92
	19-12-2014 - Transfer	(195090)	0.11	5035804	2.81
	31-12-2014 - Transfer	(42985)	0.02	4992819	2.79
	At the End of the year (31/03/2015)			4992819	2.79
4	QUICK DEVELOPERS PRIVATE LIMITED				
	At the beginning of the year (01/04/2014)	4995000	2.79		
	Increase/(Decrease) in Shareholding during the year	0	0	4995000	2.79
	At the End of the year (31/03/2015)			4995000	2.79

D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs : *(contd...)*

Sl No.	For each of the top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	STICHTING PENSIOENFONDS ABP				
	At the beginning of the year (01/04/2014)	3197423	1.79		
	Increase/(Decrease) in Shareholding during the year				
	30-05-2014 - Purchase	152721	0.09	3350144	1.87
	06-06-2014 - Purchase	247279	0.14	3597423	2.01
	30-06-2014 - Purchase	137000	0.08	3734423	2.09
	04-07-2014 - Purchase	106320	0.06	3840743	2.14
	18-07-2014 - Purchase	60003	0.03	3900746	2.18
	01-08-2014 - Purchase	42677	0.02	3943423	2.20
	At the End of the year (31/03/2015)			3943423	2.20
6	SHIVANI GUPTA				
	At the beginning of the year (01/04/2014)	2940000	1.64		
	Increase/(Decrease) in Shareholding during the year	0	0	2940000	1.64
	At the End of the year (31/03/2015)			2940000	1.64
7	MAWER INVESTMENT MANAGEMENT LTD. A/C MAWER GLOBAL SMALL CAP FUND				
	At the beginning of the year (01/04/2014)	0	0.00		
	Increase/(Decrease) in Shareholding during the year				
	29-08-2014 - Purchase	132305	0.07	132305	0.07
	05-09-2014 - Purchase	1155816	0.65	1288121	0.72
	12-09-2014 - Purchase	480573	0.27	1768694	0.99
	19-09-2014 - Purchase	32103	0.02	1800797	1.01
	24-10-2014 - Purchase	215000	0.12	2015797	1.13
	31-12-2014 - Purchase	42383	0.02	2058180	1.15
	09/01/2015 - Purchase	25978	0.01	2084158	1.16
	16/01/2015 - Purchase	3711	0.00	2087869	1.17
	23/01/2015 - Purchase	177308	0.10	2265177	1.26
	30/01/2015 - Purchase	177616	0.10	2442793	1.36
	06/02/2015 - Purchase	87833	0.05	2530626	1.41
	06/03/2015 - Purchase	48349	0.03	2578975	1.44
	13/03/2015 - Purchase	10269	0.01	2589244	1.45
	At the End of the year (31/03/2015)			2589244	1.45
8	PLATINUM ASIA FUND				
	At the beginning of the year (01/04/2014)	0	0.00		
	Increase/(Decrease) in Shareholding during the year				
	08-08-2014 - Purchase	157000	0.09	157000	0.09
	15-08-2014 - Purchase	861481	0.48	1018481	0.57
	22-08-2014 - Purchase	55161	0.03	1073642	0.60
	29-08-2014 - Purchase	46957	0.03	1120599	0.63
	19-12-2014 - Purchase	527579	0.29	1648178	0.92
	31-12-2014 - Purchase	266239	0.15	1914417	1.07
	At the End of the year (31/03/2015)			1914417	1.07
9	UDAY KUMAR BISHNOI				
	At the beginning of the year (01/04/2014)	900000	0.50		
	Increase/(Decrease) in Shareholding during the year				
	04-04-2014 - Purchase	37000	0.02	937000	0.52
	06-06-2014 - Purchase	50000	0.03	987000	0.55
	13-06-2014 - Purchase	81000	0.05	1068000	0.60
	20-06-2014 - Purchase	36301	0.02	1104301	0.62
	30-06-2014 - Purchase	52319	0.03	1156620	0.65
	25-07-2014 - Purchase	116566	0.07	1273186	0.71
	01-08-2014 - Purchase	6250	0.00	1279436	0.71
	22-08-2014 - Purchase	79446	0.04	1358882	0.76
	29-08-2014 - Purchase	91002	0.05	1449884	0.81
	27-03-2015 - Purchase	38000	0.02	1487884	0.83
	At the End of the year (31/03/2015)			1487884	0.83
10	AMAR CHAND GARG (HUF)				
	At the beginning of the year (01/04/2014)	1260600	0.70		
	Increase/(Decrease) in Shareholding during the year	0	0	1260600	0.70
	At the End of the year (31/03/2015)			1260600	0.70

Note: Top ten shareholders of the Company as on March 31, 2015 has been considered for the above disclosure.

E. Shareholding of Directors and Key Managerial Personnel:

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Balram Garg (Managing Director)				
	At the beginning of the year (01/04/2014)	66951050	37.38		
	Increase / (Decrease) in Shareholding during the year	0	0	66951050	37.38
	At the end of the year (31/03/2015)			66951050	37.38
2	Shri Padam Chand Gupta (Non-Executive Director)				
	At the beginning of the year (01/04/2014)	50371800	28.12		
	Increase / (Decrease) in Shareholding during the year	0	0	50371800	28.12
	At the end of the year (31/03/2015)			50371800	28.12
3	Shri Ramesh Kumar Sharma (Executive Director)				
	At the beginning of the year (01/04/2014)	5500	0		
	Increase / (Decrease) in Shareholding during the year				
	28/08/2014 - Transfer	(2500)	0	3000	0
	At the end of the year (31/03/2015)			3000	0
4	Shri Krishan Kumar Khurana (Non-Executive Director)				
	At the beginning of the year (01/04/2014)	0	0		
	Increase / (Decrease) in Shareholding during the year	0	0	0	0
	At the end of the year (31/03/2015)			0	0
5	Dr. Manohar Lal Singla (Non-Executive Director)				
	At the beginning of the year (01/04/2014)	0	0		
	Increase / (Decrease) in Shareholding during the year	0	0	0	0
	At the end of the year (31/03/2015)			0	0
6	Shri Miyar Ramanath Nayak (Non-Executive Director)				
	At the beginning of the year (01/04/2014)	0	0		
	Increase / (Decrease) in Shareholding during the year	0	0	0	0
	At the end of the year (31/03/2015)			0	0
7	Ms. Kusum Jain (Non-Executive Director) (Appointed w.e.f. 31/03/2015)				
	At the beginning of the year (31/03/2015)	0	0		
	Increase / (Decrease) in Shareholding during the year	0	0	0	0
	At the end of the year (31/03/2015)			0	0
8	Shri Sanjeev Bhatia (Chief Financial Officer)				
	At the beginning of the year (01/04/2014)	1530	0		
	Increase / (Decrease) in Share holding during the year	0	0	1530	0
	At the end of the year (31/03/2015)			1530	0
9	Shri Vijay Panwar (Company Secretary)				
	At the beginning of the year (01/04/2014)	1530	0		
	Increase / (Decrease) in Shareholding during the year				
	27/08/2014 - Transfer	(400)	0	1130	0
	28/08/2014 - Transfer	(400)	0	730	0
	22/09/2014 - Transfer	(100)	0	630	0
	10/03/2015 - Transfer	(100)	0	530	0
	At the end of the year (31/03/2015)			530	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(₹ in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2014)				
i) Principal Amount	100340.74	-	-	100340.74
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	158.87	-	-	158.87
Total (i+ii+iii)	100499.61	-	-	100499.61
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	32147.58	-	-	32147.58
Net Change	(32147.58)	-	-	(32147.58)
Indebtedness at the end of the financial year (31.03.2015)				
i) Principal Amount	68137.73	-	-	68137.73
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	214.30	-	-	214.30
Total (i+ii+iii)	68352.03	-	-	68352.03

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

(₹ in lacs)

Sl No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Shri Balram Garg	Shri Ramesh Kumar Sharma	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	600.00	21.10	621.10
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	6.20	6.20
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify…	-	-	-
5	Others, please specify	-	-	-
	Total (A)	600.00	27.30	627.30
	Ceiling as per the Act			5455.89

B. Remuneration to other Directors:

(₹ in lacs)

Sl No.	Particulars of Remuneration	Name of Directors					Total Amount
		Shri Padam Chand Gupta	Shri Krishan Kumar Khurana	Dr. Manohar Lal Singla	Shri Miyar Ramanath Nayak	Ms. Kusum Jain*	
1	Independent Directors	N.A.				N.A	
	• Fee for attending board / committee meetings	-	1.50	1.30	0.80	-	3.60
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total (1)	-	1.50	1.30	0.80	-	3.60
2	Other Non-Executive Directors		N.A.	N.A.	N.A.		
	• Fee for attending board / committee meetings	1.65	-	-	-	-	1.65
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total (2)	1.65	-	-	-	-	1.65
	Total (B)=(1+2)	1.65	1.50	1.30	0.80	-	5.25
	Ceiling as per the Act						545.59
	Total Managerial Remuneration (A+B)						632.55
	Overall Ceiling as per the Act						6001.48

* Appointed as an Additional Director w.e.f. March 31, 2015 and have not received any remuneration as director.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in lacs)

Sl No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary (Shri Vijay Panwar)	CFO (Shri Sanjeev Bhatia)	
1	Gross salary	Not Applicable			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		7.00	20.00	27.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		6.00	6.00	12.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	Commission				
	- as % of		-	-	-
	- others, specify…		-	-	-
5	Others, please specify		-	-	-
	Total		13.00	26.00	39.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

No penalties/punishment/compounding of offences were levied under the Companies Act, 2013, against the Company, Directors and other Officers in Default.

REPORT ON CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE PHILOSOPHY

Effective Corporate Governance practices constitute the strong foundation on which successful organisations are built to last. Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the organisation. Adopting high standards with transparency not only helps in enhancing organisation's image and stakeholders value but also gives comfort to all existing and potential stakeholders including government & regulatory authorities, customers, suppliers, bankers, employees and shareholders.

Your Company aims at attaining the highest levels of transparency and accountability towards its stakeholders. Strong leadership and effective Corporate Governance practices have been the Company's hallmark. The Company remains firm in its commitment to conduct business in accordance with the highest ethical standards and sound Corporate Governance practices. The Company strongly believes that sound system of Corporate Governance practices go a long way in retaining investors trust, confidence and preserving the interest of all stakeholders. Your Company is committed to the adoption of, adherence to and maintaining the highest standards of Corporate Governance with respect to all of its procedures, policies and practices at all times.

2. BOARD OF DIRECTORS

(A) COMPOSITION OF BOARD OF DIRECTORS

The Board of Directors ("Board") of the Company have an optimum combination of Executive and Non-Executive Directors with one Woman Director and not less than fifty percent of the Board comprising of Non-Executive Directors. All Directors are individuals of integrity and possesses relevant expertise and experience. As on March 31, 2015, the Company's Board comprises of seven Directors. The composition of the Board and category of Directors are as under:

Name of Director	Designation	Category
Shri Padam Chand Gupta	Chairman	Promoter & Non-Executive Director
Shri Balram Garg	Managing Director	Promoter & Executive Director
Shri Ramesh Kumar Sharma	Executive Director & Chief Operating Officer	Executive Director
Ms. Kusum Jain	Additional Director	Non-Executive Director
Dr. Manohar Lal Singla	Director	Independent Director
Shri Krishan Kumar Khurana	Director	Independent Director
Shri Miyar Ramanath Nayak	Director	Independent Director

The Promoter Directors Shri Padam Chand Gupta and Shri Balram Garg are brothers and Ms. Kusum Jain, is their sister. Apart from them none of the Directors are related to each other.

(B) INDEPENDENT DIRECTORS

The Independent Directors of the Company fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and the Rules made thereunder and also meet the requirement of Clause 49 of the Listing Agreement with Stock Exchanges. None of the Independent Directors serve as an Independent Director in more than the maximum permissible limit on number of directorships as an Independent Director and also not crossed the maximum tenure of Independent Director.

The Independent Directors are made aware of their roles, responsibilities and liabilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their appointment. The Executive Director(s) / Senior Management Personnel regularly familiarise the Independent Directors about the Company, its products, business model, operations and the industry etc. The familiarisation programme for Independent Directors is posted on the Company's website and can be accessed through the link http://www.pcjeweller.com/wp-content/uploads/2015/06/investors/corporate-governance/PCJ_Familiarisation%20Programme%20for%20Independent%20Directors.pdf.

A meeting of the Independent Directors was held on February 6, 2015, without the attendance of non-independent directors and members of the management and all the Independent Directors attended the meeting.

(C) REMUNERATION OF DIRECTORS & THEIR SHAREHOLDINGS

The Non-Executive and Independent Directors are paid sitting fee of ₹10,000/- for attending each meeting of the Board & ₹5,000/- for attending each meeting of any of the Committees of the Board, as approved by the Board and within the limits prescribed under the Companies Act, 2013. The Company also pays / reimburses the out-of-pocket expenses incurred by them for attending the meetings. No stock options were granted to Non-Executive Directors during the year under review.

The details of remuneration paid to the Directors for the financial year 2014-15 and their shareholdings as on March 31, 2015, are as under:

Name of Director	Salary (₹)	Sitting Fee (₹)	Bonus/Commission (₹)	Total (₹)	Number of Shares
Shri Padam Chand Gupta	Nil	1,65,000	Nil	1,65,000	5,03,71,800
Shri Balram Garg	6,00,00,000	Nil	Nil	6,00,00,000	6,69,51,050
Shri Ramesh Kumar Sharma	27,30,000	Nil	Nil	27,30,000	3,000
Ms. Kusum Jain*	Nil	Nil	Nil	Nil	Nil
Dr. Manohar Lal Singla	Nil	1,30,000	Nil	1,30,000	Nil
Shri Krishan Kumar Khurana	Nil	1,50,000	Nil	1,50,000	Nil
Shri Miyar Ramanath Nayak	Nil	80,000	Nil	80,000	Nil

* Ms. Kusum Jain was appointed as an Additional Director w.e.f. March 31, 2015 and has not received any remuneration as Director.

Apart from receiving Directors' remuneration, the Independent Directors do not have any material pecuniary relationship with the Company, its Subsidiary, or their Promoters, or Directors.

(D) PROVISIONS AS TO BOARD AND COMMITTEES

During the year seven Board meetings were held on May 22, 2014; July 28, 2014; August 8, 2014; September 13, 2014; November 12, 2014; February 6, 2015 and March 31, 2015. The time gap between any two Board meetings does not exceed 120 days. The Directors are provided all the relevant information's and details required for taking informed decisions at the Board meetings.

None of the Directors of the Company are Members of more than 10 committees or act as Chairman of more than 5 committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions occupied by them have been made by the Directors.

The details of attendance of Directors at the Board meetings held during the year, at last Annual General Meeting (AGM) of the

Company held on September 13, 2014, along with the details of outside directorships, Memberships / Chairmanships of Audit Committee and the Stakeholders' Relationship Committee, in Indian public limited companies, are as under:

Name of Director	Number of Board meetings attended	Attendance at last AGM	Number of outside directorships	Number of outside Committee Memberships / Chairmanships	
				Member	Chairman
Shri Padam Chand Gupta	7	Yes	Nil	Nil	Nil
Shri Balram Garg	7	Yes	Nil	Nil	Nil
Shri Ramesh Kumar Sharma	6	Yes	Nil	Nil	Nil
Ms. Kusum Jain*	Nil	N.A.	Nil	Nil	Nil
Dr. Manohar Lal Singla	7	Yes	Nil	Nil	Nil
Shri Krishan Kumar Khurana	7	Yes	Nil	Nil	Nil
Shri Miyar Ramanath Nayak	6	Yes	1	Nil	Nil

*Ms. Kusum Jain was appointed as an Additional Director with effect from March 31, 2015.

(E) CODE OF CONDUCT

The Board laid down a Code of Conduct for Directors and Senior Management Personnel of the Company. This Code is posted on the Company's website. All Directors and Senior Management Personnel affirmed compliance with the Code and a declaration to that effect of Shri Balram Garg, Managing Director, is attached to this report.

3. COMMITTEES OF THE BOARD

(I) AUDIT COMMITTEE

(A) COMPOSITION, MEETINGS AND ATTENDANCE

In terms of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company in its Board meeting held on May 22, 2014, re-constituted the Audit Committee. The Committee comprises of four Directors, out of which three are Independent Directors. All Members of the Committee are financially literate and having requisite accounting or related financial management expertise. Dr. Manohar Lal Singla, Chairman of the Committee is an Independent Director. He was present at the last Annual General Meeting of the Company held on September 13, 2014.

During the year six Audit Committee meetings were held on May 22, 2014; July 28, 2014; August 8, 2014; September 13, 2014; November 12, 2014 and February 6, 2015. The composition of the Audit Committee and number of meetings attended by the Members during the year are as under:

Name of Members	Position	Category	Number of meetings held	Number of meetings attended
Dr. Manohar Lal Singla	Chairman	Independent Director	6	6
Shri Krishan Kumar Khurana	Member	Independent Director	6	6
Shri Miyar Ramanath Nayak	Member	Independent Director	6	4
Shri Balram Garg	Member	Executive Director	6	6

The Company Secretary acts as the Secretary to the Committee.

(B) TERMS OF REFERENCE

Powers of Audit Committee:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee:

- 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;
- Approval of payment to statutory auditors for any other services

rendered by the statutory auditors;

- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  b. Changes, if any, in accounting policies and practices and reasons for the same.
  c. Major accounting entries involving estimates based on the exercise of judgment by management.
  d. Significant adjustments made in the financial statements arising out of audit findings.
  e. Compliance with listing and other legal requirements relating to financial statements.
  f. Disclosure of any related party transactions.
  g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as the Board may decide from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

Review of information by Audit Committee:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor.

(II) NOMINATION AND REMUNERATION COMMITTEE

(A) COMPOSITION, MEETINGS AND ATTENDANCE

In terms of Section 178 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement, the Company in its Board meeting held on May 22, 2014, re-constituted / renamed the Remuneration & Compensation Committee as Nomination and Remuneration Committee. The Committee comprises of three Non-Executive Directors, out of which two are Independent Directors. Shri Krishan Kumar Khurana, Chairman of the Committee is an Independent Director. He was present at the last Annual General Meeting of the Company held on September 13, 2014.

During the year four Nomination and Remuneration Committee meetings were held on May 22, 2014; July 28, 2014; November 12, 2014 and March 31, 2015. The composition of the Nomination and Remuneration Committee and number of meetings attended by the Members during the year are as under:

Name of Members	Position	Category	Number of meetings held	Number of meetings attended
Shri Krishan Kumar Khurana	Chairman	Independent Director	4	4
Dr. Manohar Lal Singla	Member	Independent Director	4	4
Shri Padam Chand Gupta	Member	Non-Executive Director	4	4

(B) TERMS OF REFERENCE

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, 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 for evaluation of performance of directors and the Board;
- Devising a policy on Board diversity;
- Considering and recommending grant of employees stock option, if any, and administration and superintendence of the same; and
- Carrying out any other function as the Board may decide from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

(III) STAKEHOLDERS RELATIONSHIP COMMITTEE

(A) COMPOSITION, MEETINGS AND ATTENDANCE

In terms of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company in its Board meeting held on May 22, 2014, re-constituted / renamed the Shareholders' / Investors' Grievance Committee as Stakeholders Relationship Committee. The Committee comprises of three Directors, out of which one is Independent Director. Shri Padam Chand Gupta, Chairman of the Committee is a Non-Executive Director. He was present at the last Annual General Meeting of the Company held on September 13, 2014.

During the year four Stakeholders Relationship Committee meetings were held on May 22, 2014; August 8, 2014; November 12, 2014; February 6, 2015. The composition of the Stakeholders Relationship Committee and number of meetings attended by the Members during the year are as under:

Name of Members	Position	Category	Number of meetings held	Number of meetings attended
Shri Padam Chand Gupta	Chairman	Non-Executive Director	4	4
Shri Balram Garg	Member	Executive Director	4	4
Shri Krishan Kumar Khurana	Member	Independent Director	4	4

(B) TERMS OF REFERENCE

- Considering and resolving the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc.;
- Issue of duplicate share certificates;
- Evaluating performance of the Registrar and Share Transfer Agent of the Company;
- Carrying out any other function as the Board may decide from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

(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, 2014	Received during the year 2014-15	Resolved during the year 2014-15	Complaints pending as on March 31, 2015
Nil	87	87	Nil

The Company has designated an e-mail Id viz. investors@pcjewellers.com, for redressal of shareholder'/ investors' complaints / grievances.

(IV) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

(A) COMPOSITION, MEETINGS & ATTENDANCE

In terms of Section 135 of the Companies Act, 2013, the Company in its Board meeting held on August 8, 2014, constituted the Corporate Social Responsibility Committee. The Committee comprises of three Directors, out of which two are Independent Directors. Dr. Manohar Lal Singla, Chairman of the CSR Committee is an Independent Director.

During the year two Corporate Social Responsibility Committee meetings were held on September 13, 2014 and November 12, 2014. The composition of the Corporate Social Responsibility Committee and number of meetings attended by the Members during the year are as under:

Name of Members	Position	Category	Number of meetings held	Number of meetings attended
Dr. Manohar Lal Singla	Chairman	Independent Director	2	2
Shri Krishan Kumar Khurana	Member	Independent Director	2	2
Shri Ramesh Kumar Sharma	Member	Executive Director	2	2

(B) TERMS OF REFERENCE

- 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 Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the activities referred to in Clause (1); and
- To monitor the Corporate Social Responsibility Policy of the company and implementation of the projects, programs and activities undertaken by the Company thereunder from time to time.
- Carrying out any other function as the Board may decide from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

(V) MANAGEMENT & FINANCE COMMITTEE

(A) COMPOSITION, MEETINGS & ATTENDANCE

The Company in its Board meeting held on May 22, 2014, re-constituted the Management & Finance Committee. The Committee comprises of one Non-Executive and two Executive Directors.

During the year eleven Management & Finance Committee meetings were held on April 23, 2014; May 15, 2014; June 16, 2014; July 9, 2014; August 25, 2014; September 17, 2014; November 22, 2014; December 6, 2014; January 13, 2015; February 7, 2015 and March 18, 2015. The composition of the Management & Finance Committee and number of meetings attended by the Members during the year are as under:

Name of Members	Position	Category	Number of meetings held	Number of meetings attended
Shri Padam Chand Gupta	Chairman	Non-Executive Director	11	11
Shri Balram Garg	Member	Executive Director	11	11
Shri Ramesh Kumar Sharma	Member	Executive Director	11	9

(B) TERMS OF REFERENCE

The terms of reference of the Management & Finance Committee inter-alia includes availing financial / banking facilities, opening new showrooms, taking on lease, hire or purchase any movable or immovable property, obtaining registrations / licenses, signing and execution of contracts, agreements etc., opening, closing and deciding mode of operation for bank accounts, and carrying out any other function as the Board may decide from time to time.

(VI) SHARE TRANSFER COMMITTEE

(A) COMPOSITION, MEETINGS & ATTENDANCE

The Company in its Board meeting held on May 22, 2014, constituted the Share Transfer Committee. The Committee comprises of two Executive Directors.

During the year twenty two Share Transfer Committee meetings were held on May 26, 2014; June 16, 2014; July 1, 2014; July 9, 2014; July 28, 2014; August 8, 2014; August 22, 2014; September 5, 2014; September 22, 2014; October 8, 2014; October 22, 2014; November 5, 2014; November 20, 2014; December 4, 2014; December 15, 2014; December 29, 2014; January 12, 2015; January 29, 2015; February 6, 2015; February 16, 2015; March 4, 2015 and March 20, 2015. The composition of the Share Transfer Committee and number of meetings attended by the Members during the year are as under:

Name of Members	Position	Category	Number of meetings held	Number of meetings attended
Shri Balram Garg	Chairman	Executive Director	22	22
Shri Ramesh Kumar Sharma	Member	Executive Director	22	22

(B) TERMS OF REFERENCE

- approval of transfer or transmission of equity shares, debentures or any other securities;
- approval of requests for remat / split / consolidation etc.
- issue of share certificates on remat / split / consolidation etc.; and
- Carrying out any other function as the Board may decide from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

4. 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
2013-14	September 13, 2014 3:30 P.M.	Air Force Auditorium, Subroto Park, New Delhi-110 010	None
2012-13	September 18, 2013 3:00 P.M.	Air Force Auditorium, Subroto Park, New Delhi-110 010	1) Re-appointment of Shri Sachin Gupta, as President (Gold Manufacturing). 2) Re-appointment of Shri Nitin Gupta, as President (Diamond Manufacturing). 3) Ratification of PC Jeweller Limited Employee Stock Option Plan 2011. 4) Approval for varying the terms referred to in the Prospectus dated December 16, 2012.
2011-12	September 25, 2012 11:00 A.M.	24/2708, Bank Street, Karol Bagh, New Delhi-110 005	1) Approval for creation, offer, issue and allotment of up to 4,51,33,500 fresh equity shares of the Company of face value of ₹10 each in the course of IPO.

II) POSTAL BALLOT

During the year total six Special Resolutions were passed through two Postal Ballot Notices dated July 28, 2014 and February 6, 2015, respectively, details of which are as under:

(A) SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT NOTICE DATED JULY 28, 2014

Three Special Resolutions were passed through Postal Ballot Notice dated July 28, 2014, whose result was declared on September 20, 2014. Shri Randhir Singh Sharma, Proprietor M/s R S Sharma & Associates, Company Secretaries, New Delhi, was appointed as Scrutinizer for conducting the entire Postal Ballot process in a fair and transparent manner.

The details of the voting pattern in respect of Special Resolutions passed are as under:

Resolution No. 1: Authorising the Board of Directors to borrow money in excess of aggregate of the paid up share capital of the Company and its free reserves but not exceeding ₹6,000 crores.

Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoters and Promoter Group	126352850	126042650	99.75	126042650	0	100.00	0.00
Public–Institutional holders	25240448	12126126	48.04	6671651	5454475	55.02	44.98
Public-Others	27506702	8598931	31.26	8595615	3316	99.96	0.04
Total	179100000	146767707	81.95	141309916	5457791	96.28	3.72

Resolution No. 2: Authorising the Board of Directors to create charges, mortgages etc. for securing the borrowings upto ₹6,000 crores.

Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoters and Promoter Group	126352850	126042650	99.75	126042650	0	100.00	0.00
Public–Institutional holders	25240448	12126126	48.04	6941481	5184645	57.24	42.76
Public-Others	27506702	8598646	31.26	8595050	3596	99.96	0.04
Total	179100000	146767422	81.95	141579181	5188241	96.46	3.54

Resolution No. 3: Authorising the Board of Directors to vary the terms of contracts or objects in Prospectus dated December 16, 2012.

Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoters and Promoter Group	126352850	126042650	99.75	126042650	0	100.00	0.00
Public–Institutional holders	25240448	12126126	48.04	12126126	0	100.00	0.00
Public-Others	27506702	8598266	31.26	8595328	2938	99.97	0.03
Total	179100000	146767042	81.95	146764104	2938	100.00	0.00

(B) SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT NOTICE DATED FEBRUARY 6, 2015

Three Special Resolutions were passed through Postal Ballot Notice dated February 6, 2015, whose result was declared on March 30, 2015. Shri Randhir Singh Sharma, Proprietor M/s R S Sharma & Associates, Company Secretaries, New Delhi, was appointed as Scrutinizer for conducting the entire Postal Ballot process in a fair and transparent manner.

The details of the voting pattern in respect of Special Resolutions passed are as under:

Resolution No. 1: Approval and adoption of new set of Articles of Association.

Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoters and Promoter Group	126352850	126352850	100.00	126352850	0	100.00	0.00
Public–Institutional holders	28069172	20928003	74.56	20781296	146707	99.30	0.70
Public-Others	24677978	8584676	34.79	8584393	283	100.00	0.00
Total	179100000	155865529	87.03	155718539	146990	99.91	0.09

Resolution No. 2: Invitation / Acceptance of deposits in the form of advances for the Company's Jewellery Purchase Schemes.

Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)= [(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoters and Promoter Group	126352850	126352850	100.00	126352850	0	100.00	0.00
Public–Institutional holders	28069172	21815008	77.72	20850051	964957	95.58	4.42
Public-Others	24677978	8584841	34.79	8584498	343	100.00	0.00
Total	179100000	156752699	87.52	155787399	965300	99.38	0.62

Resolution No. 3: Variation of the terms of contracts or objects, as amended, of the Prospectus dated December 16, 2012.

Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoters and Promoter Group	126352850	126352850	100.00	126352850	0	100.00	0.00
Public–Institutional holders	28069172	21815008	77.72	21815008	0	100.00	0.00
Public-Others	24677978	8584851	34.79	8584393	458	99.99	0.01
Total	179100000	156752709	87.52	156752251	458	100.00	0.00

The Company has complied with the procedures for the Postal Ballot in terms of Section 108 and Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014.

No special resolution is proposed to be conducted through Postal Ballot on or before the ensuing Annual General Meeting of the Company.

5. SUBSIDIARY COMPANIES

The Company has two wholly owned non-listed Indian subsidiary companies, namely PC Universal Private Limited and Transforming Retail Private Limited. None of them is a material subsidiary, as defined under Clause 49 of the Listing Agreement. However, The Board has formulated a Policy on Material Subsidiaries, which is posted on the Company's website and can be accessed through the link http://www.pcjeweller.com/wp-content/uploads/2015/06/investors/corporate-governance/ PCJ_Policy%20on %20 Material%20Subsidiary.pdf. The requirements of Clause 49 of the Listing Agreement with regard to subsidiary companies have been complied with, to the extent applicable.

6. CEO / CFO CERTIFICATION

Shri Balram Garg, Managing Director and Shri Sanjeev Bhatia, Chief Financial Officer of the Company have certified to the Board in accordance with Clause 49 (IX) of the Listing Agreement for the financial year ended March 31, 2015 and the certificate is annexed hereto.

7. DISCLOSURES

(I) MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

There were no materially significant related party transactions during the year, which may have a potential conflict with the interest of the Company at large. Details of related parties and transactions with them, as required by the Accounting Standards (AS18) have been disclosed in the Notes forming part of the financial statements. The Board has formulated a Policy on Materiality of Related Party Transactions & Dealing with Related Party Transactions, which is posted on the Company's website and can be accessed through the link http://www.pcjeweller.com/wp-content/uploads/2015/06/investors/corporate-governance/PCJ_Policy%20on %20Materiality%20of%20Related%20Party%20 Transactions%20&%20Dealing%20with%20Related%20Party%20Transactions.pdf

(II) ACCOUNTING TREATMENT

The financial statements of the Company have been prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(III) PROCEEDS FROM PUBLIC ISSUES

The Company discloses to the Audit Committee, the uses / applications of proceeds / funds raised from its Initial Public Offer (IPO), on quarterly basis. The half yearly reports of IDBI Bank Limited, the Monitoring Agency, monitoring the utilization of IPO proceeds are also placed before the Committee.

(IV) DETAILS OF NON-COMPLIANCE ETC. BY THE COMPANY

No penalty or stricture was imposed on the Company by any Stock Exchange or Securities Exchange Board of India or any statutory authority, on any matter related to capital markets, for non-compliance by the Company.

(V) WHISTLE BLOWER POLICY / VIGIL MECHANISM

In line with the commitment to conduct business of the Company in a fair and transparent manner, the Company has formulated a Whistle Blower Policy / Vigil Mechanism, which provides a formal mechanism for all employees and Directors of the Company to report about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or an event they become aware of that could have a detriment effect on the business or reputation of the Company and provides reassurance that they will be protected from reprisals or victimization for whistle blowing. The Policy is posted on the Company's website and can be accessed through the link: http://www.pcjeweller.com/wp-content/uploads/2015/06/investors/corporate-governance/PCJ_Whistle%20Blower%20Policy.pdf. No Whistle Blower was denied access to the Audit Committee of the Company.

(VI) DETAILS OF COMPLIANCE WITH MANDATORY AND NON-MANDATORY REQUIREMENTS OF CLAUSE 49 OF THE LISTING AGREEMENT

The Company is complying with all the mandatory requirements except compliance of proviso to Clause 49(II)(A)(2) only on March 31, 2015. The Company is submitting quarterly compliance report to the Stock Exchanges within prescribed time. A Certificate from the Practicing Company Secretary, regarding compliance of conditions of Corporate Governance, is annexed with the Directors' Report.

The Company is also complying with the following non-mandatory requirements:

a) The Non – Executive Chairman of the Company has been provided a Chairman's Office.
b) The Company has separate persons for the post of Chairman and Managing Director.
c) The statutory financial statements of the Company are unqualified.

(VI) PROHIBITION OF INSIDER TRADING

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has adopted Code of Conduct for Prohibition of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. However, in terms of the requirement of 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' and 'Code of Conduct to Regulate, Monitor and Report Trading by the Insiders', which became applicable w.e.f. May 15, 2015.

8. MEANS OF COMMUNICATION

During the year quarterly and annual financial results were normally published in Financial Express (English daily) and Jansatta (Hindi daily) newspapers and displayed on the Company's website www.pcjeweller.com.

Important shareholders' information such as shareholding pattern, annual report, presentations and transcripts of conference calls etc. are also displayed on the Company's website. The financial and other information filed by the Company from time to time are also available on the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited.

9. GENERAL SHAREHOLDER INFORMATION

(I) ANNUAL GENERAL MEETING

Day & date	Saturday, September 19, 2015
Time	3:30 P.M.
Venue	Air Force Auditorium, Subroto Park, New Delhi – 110 010

(II) FINANCIAL YEAR

1st April of each year to 31st March of next year.

(III) DATE OF BOOK CLOSURE

Saturday, September 12, 2015 to Saturday, September 19, 2015 (both days inclusive).

(IV) DIVIDEND PAYMENT DATE

The Board of the Company has recommended a dividend of ₹3.20 per equity share (i.e.@32% of face value of ₹10 each), on the paid up equity share capital of the Company for the financial year ended March 31, 2015. If approved by the Members at the ensuing Annual General Meeting, it will be paid within 30 days from September 19, 2015.

(V) LISTING ON STOCK EXCHANGES

The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. The Company has already paid the listing fee for the financial year 2015-16, to both the exchanges.

(VI) STOCK CODES

BSE Limited (Script Code)	534809
National Stock Exchange of India Limited (Symbol)	PCJEWELLER
ISIN of the equity shares	INE785M01013

(VII) MARKET PRICE DATA

Monthly high & low prices of the equity shares of the Company at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) during financial year 2014-15, are as under:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2014	99.40	90.95	99.20	90.45
May, 2014	128.00	91.20	127.90	91.30
June, 2014	127.80	106.20	127.50	105.90
July, 2014	150.70	109.85	150.70	109.65
August, 2014	183.50	124.80	183.90	124.40
September, 2014	278.00	172.40	278.00	172.20
October, 2014	255.05	196.00	255.00	196.35
November, 2014	256.50	231.60	256.50	231.20
December, 2014	277.40	165.00	276.75	165.20
January, 2015	274.40	205.00	274.80	205.15
February, 2015	283.40	218.20	283.50	217.65
March, 2015	367.25	255.00	367.00	255.00

(Source: BSE & NSE websites)

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

The performance of the Company's shares on BSE and NSE, as compared to Sensex and Nifty is as under:

Particulars	April 1, 2014	March 31, 2015	Change (%)
Share Price at BSE (Closing) (₹)	97.55	317.75	225.73
Sensex (Closing)	22446.44	27957.49	24.55
Share Price at NSE (Closing) (₹)	96.70	317.60	228.44
Nifty (Closing)	6721.05	8491	26.33

(Source: BSE & NSE websites)

(IX) REGISTRAR AND TRANSFER AGENTS

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot No. 31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad - 500 032 (Telangana)
Tel: 040-67161500, Fax: 040-23420814
E-mail: einward.ris@karvy.com

(X) SHARE TRANSFER SYSTEM

The share transfer activities in respect of the shares in physical mode are carried out by the Company's Registrar and Transfer Agent, Karvy Computershare Private Limited and later Memorandum of Share Transfer is submitted to the Company for approval. The shares lodged for transfer are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's shares to the Share Transfer Committee. Transfer of shares in dematerialized mode is done through the depositories without any involvement of the Company.

The Company obtains from a Company Secretary in Practice, half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the said certificate with the Stock Exchanges.

(XI) DISTRIBUTION OF SHAREHOLDING

The distribution of shareholding of the Company as on March 31, 2015, is as under:

Number of Shares	Shareholders		Shares	
	Number	As a % of total	Number	As a % of total
Up to 500	17460	95.55	1303612	0.73
501- 1,000	304	1.66	237764	0.13
1,001- 2,000	152	0.83	226563	0.13
2,001- 3,000	64	0.35	163037	0.09
3,001- 4,000	41	0.22	143227	0.08
4,001- 5,000	20	0.11	93765	0.05
5,001- 10,000	52	0.29	380032	0.21
10,001 & above	181	0.99	176552000	98.58
Total	18,274	100.00	17,91,00,000	100.00
Physical Mode	547	2.99	843	0.00
Electronic Mode	17,727	97.01	17,90,99,157	100.00

(XII) SHAREHOLDING PATTERN

The shareholding pattern of the Company as on March 31, 2015, is as under:

	Category of Shareholders	Number of Shareholders	Number of Shares	% of Shares
A	Promoter & Promoter Group			
	Individuals / HUF (Indian)	8	12,63,52,850	70.55
	Total Promoter & Promoter Group Shareholding (A)	8	12,63,52,850	70.55
B	Public Shareholding			
1	Institutions			
a	Mutual Funds/UTI	3	399090	0.22
b	Financial Institutions/Banks	2	4292	0.00
c	Foreign Institutional Investors	89	31610413	17.65
	Sub-Total B(1)	94	32013795	17.87
2	Non-Institutions			
a	Bodies Corporate	378	10610815	5.92
b	Individuals			
	(i) Individuals holding nominal share capital upto ₹1 lakh	17490	2052320	1.15
	(ii) Individuals holding nominal share capital in excess of ₹1 lakh	49	7847316	4.38
c	Non Resident Indians	168	168021	0.09
d	Clearing Members	87	54883	0.03
	Sub-Total B(2)	18172	20733355	11.58
	Total Public Shareholding B=B(1)+B(2)	18266	52747150	29.45
	GRAND TOTAL (A+B)	18274	179100000	100.00

(XIII) DEMATERIALIZATION OF SHARES AND LIQUIDITY

The shares of the Company are compulsorily traded in dematerialized form and are available for trading on both the depositories in India i.e. National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL). A total number of 17,90,99,157 equity shares constituting almost 100% of the issued, subscribed and paid-up share capital of the Company were held in dematerialized form as on March 31, 2015. The status of shares in demat mode is as under:

Particulars	Number of Shareholders	No. Shares	(%)
NSDL	12218	177851556	99.30
CDSL	5509	1247601	0.70

(XIV) STATUS OF UNCLAIMED / UNPAID AMOUNT

(A) As on March 31, 2015, ₹2,28,145/- were lying as unclaimed in the Company's IPO Refund account.

(B) As on March 31, 2015, ₹2,25,635/- were lying as unclaimed / unpaid dividend as under:

Financial Year	Type of dividend	Date of declaration of dividend	Total dividend (₹)	Unclaimed dividend		Due date for transfer to IEPF*
				(₹)	(%)	
2012-13	Final	September 18, 2013	17,91,00,000	1,26,728	0.07	October 24, 2020
2013-14	Interim	January 20, 2014	26,86,50,000	63,477	0.02	February 25, 2021
2013-14	Final	September 13, 2014	26,86,50,000	35,430	0.01	October 13, 2021

* Investor Education and Protection Fund

The Members of the Company, who have not yet claimed their dividend, are requested to contact the Company or its Registrar & Transfer Agent for claiming the same.

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

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past. Hence, as on March 31, 2015, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

(XVI) PLANT LOCATIONS

As on March 31, 2015, the Company is having four jewellery manufacturing units, at the following locations:

1. 65, Noida Special Economic Zone, Noida (Uttar Pradesh)
2. 142A/3, Noida Special Economic Zone, Noida (Uttar Pradesh)
3. J-59, Sector-63, Noida (Uttar Pradesh)
4. F-50, Selaqui, Dehradun (Uttarakhand)

(XVII) ADDRESS & CONTACT DETAILS FOR CORRESPONDENCE

PC Jeweller Limited
C-54, Preet Vihar, Vikas Marg,
Delhi – 110 092
Tel: 011-49714971
Fax: 011-49714972
Website: www.pcjeweller.com

DECLARATION BY THE MANAGING DIRECTOR

To,
The Board of Directors,
PC Jeweller Limited,
24/2708, Bank Street, Karol Bagh,
New Delhi-110005

Sub: Declaration by the Managing Director under Clause 49(II)(E) of the Listing Agreement

In accordance with Clause 49(II)(E) of the Listing Agreement, I, do hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the 'Code of Conduct for Directors and Senior Management Personnel', for the financial year ended March 31, 2015

For PC Jeweller Limited,

Sd/-
(BALRAM GARG)
Managing Director
DIN: 00032083

Date: May 6, 2015
Place: New Delhi

MD / CFO CERTIFICATION

To,
The Board of Directors,
PC Jeweller Limited,
24/2708, Bank Street, Karol Bagh,
New Delhi-110005

Sub.: Certificate to the Board pursuant to Clause 49(IX) of the Listing Agreement

We, Balram Garg, Managing Director and Sanjeev Bhatia, Chief Financial Officer of PC Jeweller Limited ('the Company'), hereby certify that in respect of the financial year ended on March 31, 2015:

(a) We have reviewed financial statements and the cash flow statement of the Company for the year and 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) To the best of our knowledge and belief, there are 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 the Audit Committee that there are no deficiencies in the design or operation of such internal controls.

(d) We have indicated, wherever applicable, to the auditors and the Audit committee:

   (i) there have been no significant changes in internal control over financial reporting during the year;

   (ii) there have been no significant changes in accounting policies during the year; and

   (iii) there have been no instances of fraud of which we have become aware.

For PC Jeweller Limited,

	Sd/-	Sd/-
	(SANJEEV BHATIA)	**(BALRAM GARG)**
Date: May 14, 2015	*Chief Financial Officer*	*Managing Director*
Place: New Delhi		DIN: 000320836

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMY

The global economy continued to expand in 2014 at a moderate and uneven pace, as countries remained saddled with unfinished post-crisis adjustments. Global recovery was hampered by some new challenges, including a number of unexpected shocks, such as heightened geopolitical conflicts in various areas. Growth of WGP (World Gross Product) was estimated at 2.6% in 2014, marginally better than the growth of 2.5% in 2013, but lower than the projected 2.9%. A salient feature for major developed countries during 2014 was an erratic movement in their quarterly growth rates. Conversely, the economic situation in Europe was precarious, particularly in the Euro area, with some countries close to recession again. (Source: United Nations)

Prospects: In the baseline outlook, further improvement is expected for developed countries, with growth projected to be 2.1% and 2.3% for 2015 and 2016, respectively while the global economy is expected to grow by 3.1% and 3.3% during the same time.

Challenges: Unemployment remain high in many countries in the region and headline inflation was at alarmingly low levels. Growth rates in developing countries and economies in transition became more divergent during 2014. A number of these economies encountered various country-specific challenges, including structural imbalances, infrastructural bottlenecks, increased financial risks and ineffective macroeconomic management, as well as geopolitical and political tensions. Downside risks remained significant, especially in the Euro area and Japan, which reported renewed weakness in 2014.

INDIAN ECONOMY

The Indian gross domestic product (GDP) grew at 7.3% in 2014-15 and is poised to grow by 8% in 2015-16 according to forecasts by OECD, compared to China, which is pegged to grow at 7% during these years. With labour costs spiking in China, India is expected to emerge as the fastest-growing major economy in 2015-16.

India's per capita net national income during 2014-15 is estimated at ₹88,538 (US$1,434), a rise of 10.1% compared with ₹80,388 (US$1,302) during 2013- 14 with a growth rate of 12.3%. Gross fixed capital formation increased from 3% in 2013-14 to 4.1% in 2014-15. Average retail inflation moderated to 6.3% in 2014-15 as against 8.9% in 2013-14.

India's current account deficit shrank to some 1.3% of GDP and could well narrow further to 1% of GDP next fiscal. Foreign direct investment hit a high of $34.9 billion in 2015, a massive 61.6% from $21.6 billion in the previous fiscal, accounting for 1.7% of the GDP, up from 1.1% in the previous year.

Outlook: According to IMF estimates, India's growth is likely to improve from 7.3% in 2014 to 7.5% in 2015 and 2016, whereas the Central government looks even more ambitious and has budgeted an 8.1-8.5% GDP growth – sprouting from recent policy reforms, consequent pickups in investment and lower oil prices. For a country like India that imports almost 70% of its oil requirements, the fall in prices of global crude oil could have benefits through disinflation, interest rate cuts and increased consumer demand.

INDIAN GEMS AND JEWELLERY INDUSTRY

India is the world's largest cutting and polishing centre for diamonds with the cutting and polishing industry being well supported by government policies.

India exports almost 95% of the world's diamonds, as per statistics from the Gems and Jewellery Export Promotion Council ("GJEPC"). The industry is projected to generate up to US$35 billion of revenue from exports by the end of FY2015.

The gems and jewelry sector in India plays a significant role in the Indian economy, contributing around 6-7% of the country's GDP. One of the fastest growing sectors, it is export-oriented and labour-intensive. The government declared the sector as a focus

REGULATORY UPDATES FOR JEWELLERY INDUSTRY:

Reserve Bank of India ("RBI") reactivated the Gold on Lease Scheme in June 2014 which was suspended in August 2013, thus providing a huge relief to jewellers like PC Jeweller. The Lease Scheme allows the jewellers to protect their gold inventory from commodity price movements as well as withdrawal of 20:80 Scheme by the RBI in November 2014 has reopened the supply channels of gold in the country and increased the availability of the metal. This has helped in removing the high premiums on domestic gold prices.

Including the Gems & Jewellery industry in the Make in India Programme. This has been done in view of the huge employment potential of this sector.

Introduction of Gold Monetisation and Sovereign Gold Bond Schemes: The exact modalities of these Schemes are still being finalized but once operational will give a big boost to the domestic supply of gold, reduce the dependence on imported gold as well remove the potential impact of gold imports on the balance of payments position.

area for export promotion, based on its potential for growth and value-addition.

According to the study by the global consultancy firm AT Kearney, India's gems and jewellery industry is expected to double in the next five years and is expected to reach ₹500,000– ₹530,000 crore (US$ 81.63 billion-US$ 86.52 billion) by 2018 from ₹251,000 crore (US$ 40.96 billion) in 2013. In FY14, India's gems and jewellery sector contributed US$ 34,746.90 million to the country's Foreign Exchange Earnings (FEEs).

The two major sectors of the industry in India comprised gold jewellery and diamonds. The country is the largest consumer of gold, accounting for more than 20% of the total world gold consumption. Gold jewellery forms around 80% of the Indian jewellery market, with the balance comprising fabricated studded jewellery that includes diamond and gemstone studded jewellery. A predominant portion of the gold jewellery manufactured in India is consumed in the domestic market.

India's gems and jewellery industry is highly unorganized and fragmented with 96% of the total players being family-owned businesses. The gold processing industry has around 15,000 players, with only 80 enjoying revenues over USD 5 million. India is also home to around 450,000 goldsmiths, 100,000 gold jewellers along with 6,000 diamond processing players and 8,000 diamond jewellers.

Did you know?

The industry is dominated by family jewellers, who constitute nearly 96% of the market.

MARKET SIZE

The jewellery market in India is expected to grow at a compounded annual growth rate (CAGR) of 15.95% over the period 2014-2019.

The gold jewelry exports from India were US$ 554.45 million in December 2014, while silver jewellery exports were US$ 148.49 million, as per the data released by the GJEPC.

The cumulative foreign direct investment (FDI) inflows in diamond and gold ornaments during April 2000-December 2014 were US$ 476 million, according to Department of Industrial Policy and Promotion (DIPP).

The fiscal year 2014-15 saw an increase of 12.65% in the export of cut and polished diamonds with the segment reaching US$ 19,635 million. The industry also witnessed a rise of 11.98% in imports of rough diamonds with figures of US$ 16,716 million.

Also, platinum jewellery could breach the ₹2,500 crore (US$ 402.95 million) mark in FY15, according to research by IKON Marketing Consultants.

Did you know?

India was the first country to introduce diamonds to the world, the first to mine,cut and polish them as well as trade them.

GOVERNMENT INITIATIVES

RBI liberalised gold import norms. With this, star and premier export houses can import the commodity, while banks and nominated agencies can offer gold for domestic use as loans to bullion traders and jewelers. Also, India has signed a Memorandum of Understanding (MoU) with Russia to source data on diamond trade between the two countries. India is the top global processor of diamonds, while Russia is the largest rough diamond producer. The Government of India is planning to establish a special zone with tax benefits for diamond import and trading in Mumbai, in an effort to develop the city as a rival to Antwerp and Dubai, which are currently the top diamond trading hubs.

In another significant development, the Gems and Jewellery Skill Council of India is planning to train over four million persons till 2022 as the sector is facing a critical shortage of skilled manpower.

The council will tie-up with the existing training institutes including Gemological Institute of America (GIA) and Indian Gemological Institute (IGI), alongwith setting up of new institutes in major diamond cutting and processing centres, GJEPC said in a statement.

PRODUCT WISE PERFORMANCE

The Company is primarily engaged in the business of jewellery manufacture and retail. The Indian jewellery industry is broadly divided into three segments comprising gold, diamond and other precious stones of which gold jewellery continues to be the dominant component. The Company is not only involved in the gold jewellery segment but have also increasingly extended its presence in diamond jewellery over the last few years. This has not only enabled the Company to drive higher margin growth but has also allowed the Company to remain a contemporary brand catering to modern consumer choices.

During the year under review, the Company was able to increase the share of diamond jewellery in its overall domestic sales from 26.45% in FY14 to 31.52% in FY15.

The Company continues to focus on diamond jewellery by bringing out new varieties to suit a larger cache of customers at regular intervals and has also added an e-commerce vertical (www.wearyourshine.com) with a strong emphasis on diamond jewellery with competitive pricing to attract younger consumers and engage with them on platforms that they are most comfortable with.

INDUSTRY GROWTH DRIVERS (OPPORTUNITIES)

In the past few years, the Indian gems and jewellery sector has been on a growth trajectory and its growth has been driven by several interplaying factors. Some of these demand drivers are as under:

Low cost of labour: The low cost of labour for cutting and polishing of diamonds has made India an attractive destination for diamond processing. Further, the diamond jewellery that is produced at a cost of US$ 60 to US$ 90 fetches around US$ 180 in the international markets, which leaves a huge margin for the retailer.

Rising disposable income: The rising disposable income has been a major demand driver for the sector over the years, both domestically as well as internationally. Jewellery, particularly diamond jewellery, is considered as a lifestyle product, and the demand for lifestyle products has also gone up with the increase in disposable incomes; as a result, the gems and jewellery sector has recorded tremendous growth in the past few years. Gold demand has been rising in India in the last few years because of increased purchasing parity of the middle class and the increasing income levels.

Rise in number of working women: Over the last few years, there has been a spurt in the number of working women. This trend has not only empowered women financially but also has changed their general attitude; as a result, there has been a growth in purchase of gems and jewellery by this segment, mostly for jewellery that can be worn at work and for social occasions. The increase in purchasing power of working women and their changing fashion needs has pushed up growth in the gems and jewellery sector.

Nurturing new talent: The government has set up various training institutes to attract quality personnel, to cater to the international market and focus on constant innovation of globally-acceptable designs. These institutes were set up to provide the gems and jewellery sector with a well-trained professional workforce proficient in all aspects of jewellery design, refining, model making, jewellery manufacturing, CAD / CAM, gemmology and diamond grading.

Adoption of Kimberly Process certification system: India is a member of the Kimberley Process Certification Scheme (KPCS) that promotes conflict-free diamonds and thrives to prevent smuggling and non-standard trade in diamonds. Under the KPCS, import or export of all rough diamonds in India is permitted only if the shipment is accompanied by the Kimberley Process Certificate, which has not only increased the credibility of diamonds processed in India in the global market but also has boosted exports.

Increased awareness and changing preferences: There is a rise in awareness about diamonds in the Indian market. Various initiatives are being undertaken by major diamond producers, retailers and industry bodies about portraying diamonds as exotic as well as affordable. Increased promotion by retailers has made consumers aware of the diamond jewellery and have created demand from various segments, which include people from all age groups. The trend of buying jewellery only during special occasions such as weddings and festivals has gradually changed.

Development of Special Economic Zones (SEZs): The government set up various SEZs to provide special incentives to the highly export-oriented sector. The SEZs have units catering to designing, cutting and polishing of jewellery. The development of SEZs

for gems and jewellery facilitated growth and enhanced the trade potential for the sector.

THREATS

Changing consumer preferences: Global marketing requires keeping pace with changing fashion, styles and trends. Though rich in handmade jewellery, India lacks the requisite machine-made design infrastructure to cater to the needs of foreign buyers. Manufacturers craft specific types of gems and jewellery products according to the market demand. However with fashion changing quickly, the ability of a player to liquidate inventory gets severely limited.

OUTLOOK

In the years to come, the growth of the industry will depend on the development of the retail/ brand side of the industry. Established brands are expected to guide the organised market and open up opportunities for growth especially with the growing preference for branded products. Increasing penetration of organised players provides a variety in terms of products and designs. Also, the relaxation of restrictions of gold import is likely to provide a fillip to the industry. The improvement in availability along with the reintroduction of low cost gold metal loans and likely stabilisation of gold prices at lower levels is expected to drive volume growth for jewellers over the short to medium term.

RISK AND CONCERNS

Like any other business, the gems and jewellery business also has its own set of challenges and risks, emanating from internal and external sources. The Company has in place a comprehensive risk management policy that helps anticipate and identify risks wide finding ways to mitigate them.

Economy risk: Jewellery purchases are discretionary and may be affected by adverse economic trends.

How will PC Jeweller be protected?

In India, jewellery purchases are perennial, marked by marriage, festivals, birthdays and anniversaries, among others. PC Jeweller has positioned itself as a wedding jeweller. In India, jewellery forms a major component of any wedding budget. Today India has a very large component of its population is less than 25 years old. Thus the number of weddings is continuously increasing in the country which in turn is fuelling demand for wedding jewellery.

Also, India's economy grew 7.3% in 2014-15; per capita net national income grew from ₹80,388 in 2013-14 to ₹88,538 in 2014-15 demonstrating a rise of 10.1%, strengthening discretionary spending.

Competition risk: The Company's market share may be affected by an increase in the number of branded jewellers.

How will PC Jeweller be protected?

The Company developed in house designing and manufacturing capabilities and is able to offer very wide range of gold and diamond jewellery to its customers at attractive price points. The company has also expanded its presence in a number of Tier I & Tier II locations which do not have any other branded jewellery player.

The company has established a reputation for trust and purity amongst its customers by selling only 100% hallmarked gold jewllery. All its diamond jewellery is also certified by Government Approved Labs.

The Company is one of the few players in the Indian gems and jewellery space, who not only possesses a wide retail presence but also has a growing online presence.

Brand risk: The use of "PC Jeweller" or similar trade names by third parties may result in loss of business to such third parties, and any potential negative publicity relating to such third parties may adversely affect our reputation, the goodwill of our brand and business prospects.

How will PC Jeweller be protected?

The Company has already registered 'PC Jewellers' as the Company's trademark and has built a logo with the name PC Jeweller on it after getting approval from Trademarks Registry office and uses the same as trademark for the products of the Company

The Company has applied and received approval for several other trademarks in connection with its business in India.

Geography risk: The Company's growth can be affected if it restricts its presence to North India.

How will PC Jeweller be protected?

The Company, as on March 31st, 2015, has 50 showrooms across 17 states in the country , Though its largest proportion of sales comes from its showrooms in Delhi & NCR, this is expected to reduce in the coming years as the company continues to expand its presence.

The company not only focuses on the Indian market but has also established B2B exports, which contributes nearly 25% to the total revenue.

Price volatility risk: Volatility in the market price of gold and diamonds has a bearing on the value of our inventory and could affect our income, profitability and scale of operations.

How will PC Jeweller be protected?

The Company procures all its gold on lease which protects it from gold price movements and hence and inventory gain or losses. Also it does not sell loose diamonds but only diamond jewellery in which there is a high value addition and hence negligible price risk.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal control systems play a crucial role in the health of a company in every industry. An effective system of internal control is a backbone, necessary for building, maintaining and improving shareholders confidence and value as well as helps to enhance the overall quality of the business and enterprise.

Your Company has an adequate system of internal control relating to the purchase of raw materials as well as other goods. The Company also has internal control system for speedy compilation of accounts and management information reports and to comply with applicable laws and regulations.

The Company has an effective Budgetary Control System. The Management reviews the actual performance with reference to budgets periodically.

The Company has an Audit Committee which has met six times during the year. The Audit Committee reviews the adequacy and effectiveness of the internal control, monitors implementation of internal audit recommendations and overseeing quarterly/annual financial results.

FINANCIAL PERFORMANCE

The financial statements are prepared under historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India and including the Accounting Standards specified under section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The financial statements have been prepared on a going concern basis and the accounting policies have been consistently applied by the Company.

The salient parameters of the financial performance of the Company during the year under review are as under:

(₹ in lacs)

Particulars	2014-15	2013-14
Revenue from operations	6,34,851.64	5,32,482.91
Total revenue	6,40,770.54	5,37,206.45
Total expenses	5,86,838.92	4,90,268.18
Profit before tax	53,931.62	46,938.27
Tax expense	16,108.99	11,306.94
Net profit after tax	37,822.63	35,631.33

HUMAN RESOURCES & INDUSTRIAL RELATIONS

The Company's human resources philosophy is to establish and build a strong performance and competency-driven culture with greater sense of accountability and responsibility. The Company acknowledges that its principal asset is its employees. The expertise of the management team, the professional training provided to the staff, their personal commitment and their spirit of teamwork together enhance the Company's net worth.

The Company has taken various steps for strengthening organizational competency through the involvement and development of employees as well as installing effective systems for improving their productivity and accountability at functional levels. The Company has engaged Aon Hewitt to advise on further strengthening its HR systems and processes.

Ongoing in-house and external training is provided to employees at all levels to update their knowledge and upgrade their skills and abilities. The effort to rationalize and streamline the workforce is a continuous process. As on March 31, 2015, the Company had 2,444 full-time employees. The industrial relations scenario remained harmonious throughout the year.

FORWARD LOOKING STATEMENTS

Forward looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

PCJ
Jeweller for generations
PC Jeweller

FINANCIAL REPORT

Independent Auditors' Report

To
The Members of
PC Jeweller Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of PC Jeweller Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these standalone financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order,

2015 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

    a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b. 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 account;

    d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);

    e. on the basis of the written representations received from the directors as on 31 March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act; and

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

        i. as detailed in Note 19 to the standalone financial statements, the Company has disclosed the impact of pending litigations on its standalone financial position;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

        iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Walker, Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
F. R. No. 001076N/N500013

Sd/-
per Anupam Kumar
Partner
Membership No. 501531

Address
L 41, Connaught Circus
New Delhi - 110001

For Sharad Jain Associates
Chartered Accountants
F. R. No. 015201N

Sd/-
per Sharad Jain
Partner
Membership No. 83837

Address
213, Hans Bhawan,
1, Bahadur shah Zafar Marg
Delhi – 110 002

Place: New Delhi
Date: 14 May 2015

Annexure to the Independent Auditors' Report of even date to the members of PC Jeweller Limited on the standalone financial statements for the year ended 31 March 2015

Based on the audit procedures performed for the purpose of reporting a true and fair view on the 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, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed 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 fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

(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 third parties at the year-end, written confirmations have been obtained by the management.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has granted unsecured loan to a company covered in the register maintained under Section 189 of the Act; and with respect to this loan:

(a) the principal and interest amounts are not due for repayment currently; and

(b) there is no overdue amount in respect of loan granted to such a company.

(iv) Owing to the nature of its business, the Company does not sell any services. Accordingly, clause 3(iv) of the Order with respect to sale of services is not applicable. In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and belief, 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 provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

Annexure to the Independent Auditors' Report of even date to the members of PC Jeweller Limited on the standalone financial statements for the year ended 31 March 2015

(b) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Amount paid under protest (₹)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income- tax	38.17	-	Assessment year 2011-2012	Commissioner of Income Tax (Appeals)

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Accordingly, the provisions of clause 3(vii)(c) of the Order are not applicable.

(viii) In our opinion, the Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.

(ix) In our opinion, the Company has not defaulted in repayment of dues to any financial institution or a bank during the year. The Company has no dues payable to debenture-holders during the year.

(x) In our opinion, the terms and conditions on which the Company has given guarantee for loans taken by others from banks or financial institutions are not, prima facie, prejudicial to the interest of the Company.

(xi) In our opinion, the Company has applied the term loans for the purpose for which these loans were obtained.

(xii) No material fraud on or by the Company has been noticed or reported during the period covered by our audit.

For Walker, Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
F. R. No. 001076N/N500013

Sd/-
per Anupam Kumar
Partner
Membership No. 501531

Address
L 41, Connaught Circus
New Delhi - 110001

For Sharad Jain Associates
Chartered Accountants
F. R. No. 015201N

Sd/-
per Sharad Jain
Partner
Membership No. 83837

Address
213, Hans Bhawan,
1, Bahadur shah Zafar Marg
Delhi – 110 002

Place: New Delhi
Date: 14 May 2015

Balance Sheet as at 31 March 2015

	Notes	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Equity and liabilities			
Shareholders' funds			
Share capital	3	17,910.00	17,910.00
Reserves and surplus	4	1,81,128.43	1,50,315.79
		1,99,038.43	**1,68,225.79**
Non current liabilities			
Long term borrowings	5	40.69	41.31
Long term provisions	6	287.08	177.01
		327.77	**218.32**
Current liabilities			
Short term borrowings	5	68,097.04	1,00,299.43
Trade payables	7	1,80,936.86	1,28,412.15
Other current liabilities	8	4,962.12	16,356.41
Short term provisions	6	17,789.10	9,743.14
		2,71,785.12	**2,54,811.13**
		4,71,151.32	**4,23,255.24**
Assets			
Non current assets			
Fixed assets			
Tangible assets	9	8,957.89	8,392.92
Intangible assets under development		-	109.68
Non current investments	10	6.00	5.00
Deferred tax assets	11	1,251.74	1,073.14
Long term loans and advances	12	8,403.41	7,196.02
Other non current asset	13	327.50	918.61
		18,946.54	**17,695.37**
Current assets			
Current investments	14	1,312.45	18,494.66
Inventories	15	3,22,985.23	2,37,712.90
Trade receivables	16	76,752.55	62,322.17
Cash and bank balances	17	27,411.38	33,008.86
Short term loans and advances	12	22,875.83	45,955.45
Other current assets	18	867.34	8,065.83
		4,52,204.78	**4,05,559.87**
		4,71,151.32	**4,23,255.24**

Notes 1 to 41 form an integral part of these financial statements.

For and on behalf of the board of directors

Sd/-
Vijay Panwar
Company Secretary

Sd/-
Sanjeev Bhatia
Chief Financial Officer

Sd/-
Padam Chand Gupta
Chairman
DIN-00032794

Sd/-
Balram Garg
Managing Director
DIN-00032083

This is the Balance Sheet referred to in our report of even date.

for **Sharad Jain Associates**
Chartered Accountants

Sd/-
per **Sharad Jain**
Partner

for **Walker Chandiok & Co LLP**
(formerly Walker, Chandiok & Co)
Chartered Accountants

Sd/-
per **Anupam Kumar**
Partner

Place : New Delhi
Date : 14 May 2015

Statement of Profit and Loss for the year ended 31 March 2015

	Notes	Year ended 31 March 2015 ₹ in lacs	Year ended 31 March 2014 ₹ in lacs
Revenue			
Revenue from operations	20	6,34,851.64	5,32,482.91
Other income	21	5,918.90	4,723.54
Total revenue		**6,40,770.54**	**5,37,206.45**
Expenses			
Cost of materials consumed	22	6,40,538.28	4,49,967.96
Changes in inventories of finished goods and work-in-progress	23	(1,02,601.10)	(2,266.83)
Purchases of traded goods	24	296.38	113.97
Employee benefits expense	25	5,554.59	4,474.06
Finance costs	26	22,086.61	14,728.23
Depreciation and amortisation expense	9	2,301.69	1,231.78
Other expenses	27	18,662.47	21,015.11
Prior period items	28	-	1,003.90
Total expenses		**5,86,838.92**	**4,90,268.18**
Profit before tax		53,931.62	46,938.27
Tax expense:			
Current tax		16,246.64	11,879.49
Deferred tax		(137.65)	(231.32)
Deferred tax - earlier years		-	(341.23)
Total - tax expense		16,108.99	11,306.94
Profit for the year		**37,822.63**	**35,631.33**
Earnings per equity share of Rs. 10 each (₹)	29		
- Basic and diluted		21.12	19.89

Notes 1 to 41 form an integral part of these financial statements.

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Company Secretary

Sd/-
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Chairman
DIN-00032794

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Balram Garg
Managing Director
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This is the Statement of Profit and Loss referred to in our report of even date.

for **Sharad Jain Associates**
Chartered Accountants

Sd/-
per **Sharad Jain**
Partner

for **Walker Chandiok & Co LLP**
(formerly Walker, Chandiok & Co)
Chartered Accountants

Sd/-
per **Anupam Kumar**
Partner

Place : New Delhi
Date : 14 May 2015

Cash Flow Statement for the year ended 31 March 2015

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	53,931.62	46,938.27
Adjustments for:		
Depreciation and amortisation expense	2,301.69	1,231.78
Unrealised foreign exchange loss/ (gain)	598.42	(8,669.53)
Net (profit)/ loss on disposal of fixed assets	(0.93)	89.86
Intangible assets under development written off	109.68	-
Profit on sale of investment	(1,345.45)	(1,844.29)
Interest income on fixed deposit with banks	(2,039.89)	(2,769.74)
Interest income on loan given	(97.64)	(89.58)
Bad debts written off	11.68	-
Interest expense	22,086.61	14,728.23
Operating profit before working capital changes	**75,555.79**	**49,615.00**
Adjustments for:		
Increase in inventories	(85,272.34)	(66,342.63)
(Increase)/decrease in trade receivables	(13,856.32)	3,653.89
Decrease/(increase) in loans and advances	21,769.14	(30,708.61)
Decrease in other current assets	7,284.00	1,910.84
Increase/(decrease) in current liabilities and provisions	39,791.58	(27,937.11)
Cash generated from/(used in) operating activities	**45,271.85**	**(69,808.62)**
Direct taxes paid (net)	12,889.34	8,762.55
Net cash generated from/ (used in) operating activities	**32,382.51**	**(78,571.17)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of fixed assets including capital advances	(2,886.22)	(2,811.33)
Proceeds from disposal of fixed assets	3.07	15.10
Investment in shares of subsidiary	(1.00)	-
Proceeds from redemption of current investments, net	18,527.66	27,638.03
Interest received	2,346.90	2,608.90
Purchase/(sale) of fixed deposits, net	4,300.66	(2,832.10)
Net cash generated from investing activities	**22,291.07**	**24,618.60**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term loans	65.00	-
Repayment of long term loans	(98.43)	(78.63)
(Repayments)/proceeds of short term borrowings, net	(32,248.67)	77,206.84
Dividends paid including dividend distribution tax	(3,143.07)	(5,236.28)
Share application money refunded	(0.12)	(9.83)
Interest paid	(21,148.05)	(14,798.59)
Net cash (used in)/ generated from financing activities	**(56,573.34)**	**57,083.51**
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**(1,899.76)**	**3,130.94**
Opening cash and cash equivalents	11,113.32	7,982.38
Closing cash and cash equivalents (see note 17)	9,213.56	11,113.32
	(1,899.76)	**3,130.94**

Notes 1 to 41 form an integral part of these financial statements.

For and on behalf of the board of directors

Sd/-
Vijay Panwar
Company Secretary

Sd/-
Sanjeev Bhatia
Chief Financial Officer

Sd/-
Padam Chand Gupta
Chairman
DIN-00032794

Sd/-
Balram Garg
Managing Director
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This is the Cash Flow Statement referred to in our report of even date.

for Sharad Jain Associates
Chartered Accountants

Sd/-
per Sharad Jain
Partner

for Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

Sd/-
per Anupam Kumar
Partner

Place : New Delhi
Date : 14 May 2015

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015

1. COMPANY OVERVIEW

PC Jeweller Limited (the 'Company') was incorporated on 13 April 2005. The Company is engaged in the business of manufacturing, sale and trading of gold jewellery, diamond studded jewellery and silver items. The registered office of the Company is located in New Delhi.

2. BASIS OF ACCOUNTING

The financial statements are prepared under historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India and including the Accounting Standards specified under section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the guiding principles of the Accounting Standard 30, Financial Instruments- Recognition and Measurement issued by the Institute of Chartered Accountants of India in respect of certain derivative instruments. These financial statements have been prepared on a going concern basis and the accounting policies have been consistently applied by the Company.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) USE OF ESTIMATES

The preparation of financial statements in conformity with the principles generally accepted in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in the current and future periods. The Company's significant estimates pertains to useful life of fixed assets, provision for employee benefits, income taxes and provision for doubtful assets.

b) FIXED ASSETS

Fixed assets are stated at cost (gross block) less accumulated depreciation and amortisation. The cost of fixed assets comprises its purchase price and any cost attributable to bringing the assets to its working condition and intended use. Capital expenditure incurred on rented properties is classified as 'Leasehold improvements' under fixed assets.

c) DEPRECIATION AND AMORTISATION

Depreciation on fixed assets is provided as per the guidance set out in the schedule II to the Act. Depreciation is charged on written down value based on estimated useful life of the asset after considering the residual value as set out in schedule II to the Act referred above. The useful life of the assets are:

Asset description	Useful life
Building	30 years
Plant and machinery	15 years
Office equipments	5 years
Computers	3 years for data processing equipments and 6 years for servers
Furniture and fixtures	10 years
Vehicles	8 years for motor cars and 10 years for scooters

Leasehold improvements have been amortised over the estimated useful life of the assets or the period of lease, whichever is lower.

d) REVENUE RECOGNITION

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. Sales are stated net of discounts and sales tax. Excise duty is not applicable to the Company.

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 income is recognised on a time proportion basis taking into account the outstanding amount and the applicable rate.

e) INVESTMENTS

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Current investments are carried at lower of cost or fair value determined on an individual investment basis.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary in the value of the long term investments.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

f) INVENTORIES

Inventories are valued as follows:

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.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion to make the sale.

In respect of purchase of goods at prices that are yet to be fixed at the year end, adjustments to the provisional amounts invoiced by the vendor are recognised based on the year end closing gold rate.

Alloys and consumables are charged to the Statement of Profit and Loss at the time of purchase.

g) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Differences arising out of foreign currency transactions settled during the year are recognised in the Statement of Profit and Loss.

Monetary items outstanding at the balance sheet date and denominated in foreign currencies are recorded at the exchange rate prevailing at the end of the year. Differences arising there from are recognised in the Statement of Profit and Loss.

Forward contracts are entered into to hedge the foreign currency risk of the underlying outstanding assets at the balance sheet date. The premium or discount on such contracts is amortised as income or expense over the life of the contract. Any profit or loss arising on the cancellation or renewal of forward contracts is recognised as an income or expense for the year.

h) DERIVATIVE INSTRUMENTS

The Company uses foreign exchange forward contracts to hedge its exposure towards highly probable forecast transactions. These foreign exchange forward contracts are not used for trading or speculation purposes.

The Company does mark to market valuation on outstanding forward contracts on highly probable forecast transactions and recognises the unrealised gains and losses per the available guiding principles of the Accounting Standard 30, Financial Instruments- Recognition and Measurement issued by the Institute of Chartered Accountants of India.

i) EMPLOYEE BENEFITS

Wages, salaries, bonuses and paid leave are accrued in the year in which the associated services are rendered by employees of the Company.

The Company has two post employment plans in operation, i.e., Gratuity and Provident fund.

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. The contributions recognised in respect of defined contribution plans are expensed as and when they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short term nature.

The Company provides for gratuity, a defined benefit plan, which defines an amount of benefit that an employee will receive on separation from the Company, usually dependent on one or more factors such as age, years of service and remuneration. The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation ('DBO') at the balance sheet date together with adjustments for unrecognised actuarial gains or losses and past service costs. The present value of DBO is calculated annually by an independent actuary using the projected unit credit method.

j) TAXATION

Tax expense comprises current tax and deferred tax.

Current tax is determined as higher of the amount of tax payable calculated at the tax rates applicable to the relevant assessment

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

year on the assessable income of the respective year or tax payable on book profit computed in accordance with the provisions of section 115 JB of the Income - tax Act, 1961.

Deferred income-tax reflects the impact of current period timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset to the extent it pertains to unabsorbed business loss/ depreciation is recognised only to the extent that there is virtual certainty of realisation based on convincing evidence, as evaluated on a case to case basis. Deferred tax assets or liability arising during tax holiday period is not recognised to the extent it reverses out within the tax holiday period.

Minimum alternate tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the period in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and write down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income-tax during the specified period.

The Company has two factory units which are located in Special Economic Zone, namely, Unit I and Unit II. Unit II is fully exempted from current tax till 31 March 2015 and both the aforementioned units are partly exempted till 31 March 2022 and 31 March 2025 respectively under the provisions of Section 10AA of the Income-tax Act, 1961.

The Company's manufacturing unit located in Dehradun is eligible for the deduction of 100% of the profits and gains of the unit for the first 5 consecutive years and 30% for the next 5 consecutive years under Section 80 IC of the Income - tax Act, 1961 till 31 March 2019.

k) LEASES

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Lease payments under an operating lease are recognised as an expense in the Statement of Profit and Loss on straight line method over the lease term.

l) IMPAIRMENT OF ASSETS

The Company on an annual basis makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is charged to the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

m) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

n) PROVISIONS AND CONTINGENCIES

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

(i) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully with in the control of the Company; or

(ii) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(iii) present obligation, where a reliable estimate cannot be made.

Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

o) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand and short term bank deposits with an original maturity of three months or less.

3. SHARE CAPITAL

	As at 31 March 2015		As at 31 March 2014	
	Number of shares	₹ in lacs	Number of shares	₹ in lacs
Authorised share capital				
Equity shares of ₹10 each	20,00,00,000	20,000.00	20,00,00,000	20,000.00
Issued, subscribed and fully paid up				
Equity shares of ₹10 each	17,91,00,000	17,910.00	17,91,00,000	17,910.00

a) There is no change in equity share capital during the current and previous year.

b) Details of shareholders holding more than 5% of the shares of the Company*

	As at 31 March 2015		As at 31 March 2014	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹10 each				
Mr. Balram Garg	6,69,51,050	37.38%	6,69,51,050	37.38%
Mr. Padam Chand Gupta	5,03,71,800	28.12%	5,03,71,800	28.12%
DVI Fund Mauritius Limited	49,92,819	2.79%	1,34,46,680	7.51%
	12,23,15,669	68.29%	13,07,69,530	73.01%

** 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.*

c) Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years to be given for each class of shares

During the year ended 31 March 2012, the Company had issued two bonus shares for each share held by the shareholders per record on the 16 September 2011. Consequently, 89,311,000 bonus shares of ₹10 each had been issued by utilising the securities premium balance and accumulated profits. Other than the aforementioned bonus issue, the Company has not issued any other shares pursuant to a contract without payment being received in cash nor has there been any buy-back of shares in the current year and preceding five years.

d) Terms and rights attached to equity shares

1) 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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General meeting of the Company. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of 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 shareholders.

2) During the year ended 31 March 2015, the amount of proposed final dividend recognised as distribution to equity shareholders is ₹3.20 per share (31 March 2014 ₹1.5 per share) and interim dividend paid was nil per share (previous year ₹1.5 per share).

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

4. RESERVES AND SURPLUS

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Securities premium account		
Balance at the end beginning/end of the year	51,817.44	51,817.44
General reserve		
Balance at the beginning of the year	3,563.13	-
Add : Amount transferred from Statement of Profit and loss	1,891.13	3,563.13
Balance at the end of the year	5,454.26	3,563.13
Surplus in the Statement of Profit and Loss		
Balance at the beginning of the year	94,935.22	69,153.16
Add : Profit for the year	37,822.63	35,631.33
Less: Depreciation adjustment (refer note 9)	79.54	-
Less: Interim dividend paid on equity shares	-	2,686.50
Less: Proposed final dividend on equity shares	5,731.20	2,686.50
Less: Dividend distribution tax	1,199.25	913.14
Less : Transfer to general reserve	1,891.13	3,563.13
Net surplus in the Statement of Profit and Loss	1,23,856.73	94,935.22
	1,81,128.43	**1,50,315.79**

5. BORROWINGS

	As at 31 March 2015		As at 31 March 2014	
	Long term ₹ in lacs	Short term ₹ in lacs	Long term ₹ in lacs	Short term ₹ in lacs
Secured				
Vehicle loans*	40.69	47.67	41.31	80.48
Loans repayable on demand from banks:				
Cash credit facilities**	-	44,810.47	-	67,302.17
Packing credit facilities**	-	4,000.00	-	1,500.00
Post shipment credit facilities**	-	4,363.29	-	12,985.25
Demand loan**	-	14,923.28	-	18,512.01
Less: Reclassified to current maturities	-	(47.67)	-	(80.48)
	40.69	**68,097.04**	**41.31**	**1,00,299.43**

a) **Details of security for each type of borrowings**

* These are secured by way of hypothecation of assets, thus purchased

** Secured against first pari passu charge on current assets, fixed assets of the Company, fixed deposits of the company, personal guarantees of promoter directors and corporate guarantees and collateral securities of other companies.

b) **Terms of repayment**

Vehicle loans are repayable in maximum 60 equal monthly instalments over the tenure of the loans and the final instalments are due for repayment in April 2017.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

6. PROVISIONS

	As at 31 March 2015		As at 31 March 2014	
	Long term ₹ in lacs	Short term ₹ in lacs	Long term ₹ in lacs	Short term ₹ in lacs
Provisions for employee benefits (Refer note (a) below)	287.08	18.28	177.01	9.80
Provision for taxation (net of prepaid taxes ₹6,166.39 lacs, previous year ₹5,785.55 lacs)	-	10,830.69	-	6,581.31
Proposed equity dividend	-	5,731.20	-	2,686.50
Dividend distribution tax	-	1,199.25	-	456.57
Provision for wealth tax	-	9.68	-	8.96
	287.08	17,789.10	177.01	9,743.14

(a) Employee benefits

	Gratuity	
	31 March 2015 ₹ in lacs	31 March 2014 ₹ in lacs
Change in projected benefit obligation		
Projected benefit obligation at the beginning of the year	186.81	131.43
Service cost	95.77	64.36
Interest cost	17.00	10.65
Actuarial loss/(gain)	5.78	(19.63)
Projected benefit obligation at the end of the year	**305.36**	**186.81**
Expense recognised in the Statement of Profit and Loss		
Service cost	95.77	64.36
Interest cost	17.00	10.65
Recognised net actuarial loss/(gain)	5.78	(19.63)
Net costs	**118.55**	**55.38**
Assumptions used		
Discount rate	7.80%	9.10%
Long-term rate of compensation increase	8.00%	8.00%
Average remaining life	30.32	30.62

Note:

The Company assesses these assumptions with the projected long-term plans of growth and prevalent industry standards.

Amounts for the current and previous four years are as follows:

	2014-15	2013--14	2012-13	2011-12	2010-11
Defined benefit obligations	305.36	186.81	131.43	62.58	30.39
Experience adjustments on plan liabilities - gain/(loss)	24.79	3.54	(4.61)	1.68	13.49

(b) The Company makes contribution to statutory provident fund and employees' state insurance. These are post employment benefit and are in the nature of defined contribution plans. Contributions made by the Company during the year is ₹232.73 lacs (previous year - ₹111.80 lacs).

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

7. TRADE PAYABLES

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Due to:		
Micro, small and medium enterprises (Refer note (a) below)	-	-
Others	1,80,936.86	1,28,412.15
	1,80,936.86	**1,28,412.15**

(a) The Company has identified the micro, small and medium enterprises under the Micro Small Medium Enterprise Development Act, 2006 (MSMEDA) based upon the information available and confirmations sent to all the suppliers. Based on the information available with the Company and the confirmations received, there are no dues outstanding to these micro,small and medium enterprises as at the balance sheet date. Further, no interest during the year has been paid or payable under the terms of the MSMEDA.

8. OTHER CURRENT LIABILITIES

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Current maturities of vehicle loan	47.67	80.48
Interest accrued but not due on borrowings	214.30	158.87
Application money received on allotment of securities and due for refund	2.28	2.40
Unclaimed dividend	2.26	2.17
Statutory dues	440.50	398.52
Employee related payables	709.64	542.88
Deferred lease rent	1,578.48	1,213.84
Advance from customers	798.69	12,955.44
Creditors for capital goods	47.37	353.71
Other accruals and payables	1,120.93	648.10
	4,962.12	**16,356.41**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

9. FIXED ASSETS

₹ in lacs

	Tangible assets								
Gross block	**Land**	**Building**	**Leasehold improvements**	**Plant and machinery**	**Office equipments**	**Computers**	**Furniture and fixtures**	**Vehicles**	**Total**
Balance as at 1 April 2013	**757.54**	**435.56**	**3,335.70**	**947.92**	**1,741.92**	**255.85**	**318.45**	**804.49**	**8,597.43**
Additions	-	-	2,429.05	132.78	600.91	70.73	180.88	39.06	3,453.41
Disposals	-	-	(56.91)	-	(129.06)	(1.26)	(69.34)	(29.66)	(286.23)
Balance as at 31 March 2014	**757.54**	**435.56**	**5,707.84**	**1,080.70**	**2,213.77**	**325.32**	**429.99**	**813.89**	**11,764.61**
Additions	-	-	1,864.01	136.16	556.66	154.93	142.78	143.93	2,998.47
Disposals/adjustments	-	-	(8.82)	-	(0.34)	-	-	(14.91)	(24.07)
Balance as at 31 March 2015	**757.54**	**435.56**	**7,563.03**	**1,216.86**	**2,770.09**	**480.25**	**572.77**	**942.91**	**14,739.01**
Accumulated depreciation and amortisation									
Balance as at 1 April 2013	**-**	**82.46**	**911.43**	**221.17**	**469.64**	**127.72**	**100.31**	**408.48**	**2,321.21**
Charge for the year	-	35.31	641.03	94.70	229.99	66.70	57.32	106.73	1,231.78
Reversal on disposal of assets	-	-	(47.29)	-	(68.92)	(1.04)	(39.04)	(25.01)	(181.30)
Balance as at 31 March 2014	**-**	**117.77**	**1,505.17**	**315.87**	**630.71**	**193.38**	**118.59**	**490.20**	**3,371.69**
Charge for the year	-	30.00	714.04	161.69	1,036.36	121.51	102.01	136.08	2,301.69
Reversal on disposal/adjustments of assets	-	-	-	-	-	-	-	(12.77)	(12.77)
Other adjustments (Refer note 2 below)	-	-	-	6.99	109.13	3.81	-	0.58	120.51
Balance as at 31 March 2015	**-**	**147.77**	**2,219.21**	**484.55**	**1,776.20**	**318.70**	**220.60**	**614.09**	**5,781.12**
Net block									
Balance as at 31 March 2014	757.54	317.79	4,202.67	764.83	1,583.06	131.94	311.40	323.69	8,392.92
Balance as at 31 March 2015	757.54	287.79	5,343.82	732.31	993.89	161.55	352.17	328.82	8,957.89

Notes:

1. Effective from 1 April 2014, the Company has revised the estimates of computing the depreciation and amortisation based on the revised useful life of the assets as per the requirements of schedule II of the Act. Due to the aforementioned, the depreciation and amortisation charge for the year ended 31 March 2015 is higher by ₹918.42 lacs and fixed assets and profit for the year is lower by a corresponding amount.

2. Further, based on the transitional provisions provided in Schedule II of the Act, an amount of ₹79.54 lacs (net of deferred tax) has been adjusted with the opening reserves as at 1 April 2014.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

10. NON CURRENT INVESTMENTS

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments		
In wholly owned subsidiary companies		
PC Universal Private Limited	5.00	5.00
50,000 (previous year 50,000) equity shares of ₹10 each		
Transforming Retail Private Limited	1.00	-
10,000 (previous year Nil) equity shares of ₹10 each		
	6.00	5.00
Aggregate amount of unquoted investments	6.00	5.00

11. DEFERRED TAX ASSETS

Deferred tax assets arising on account of		
Timing difference on depreciation/amortisation of tangible assets	611.43	182.57
Provision for employee benefits	103.79	64.26
Deferred lease rent	536.52	412.59
Provision for discount	-	413.72
	1,251.74	1,073.14

12. LOANS AND ADVANCES

	As at 31 March 2015		As at 31 March 2014	
	Long term ₹ in lacs	Short term ₹ in lacs	Long term ₹ in lacs	Short term ₹ in lacs
(Unsecured, considered good)				
Capital advances	2,164.34	-	2,267.43	-
Security deposits				
Related parties	-	-	120.00	-
Others	3,971.20	-	3,813.33	300.00
Loans and advances				
Loan to subsidiary* (also refer note 30)	1,023.00	9.62	-	-
Loan to body corporate*	854.03	-	854.03	-
Minimum alternate tax credit entitlement	-	-	-	1,704.08
Other loans and advances:				
Prepaid expenses	-	565.04	-	477.71
Balances with government authorities	249.61	55.09	-	306.53
Advances to suppliers	-	21,995.82	-	41,788.10
Others	141.23	250.26	141.23	1,379.03
	8,403.41	**22,875.83**	**7,196.02**	**45,955.45**

* Loan has been given to PC Universal Private Limited and Shivani Sarees Private Limited for business purposes.

13. OTHER NON-CURRENT ASSETS

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Non-current bank balances (Refer note 17)	315.67	918.61
Interest accrued on fixed deposits with banks	11.83	-
	327.50	**918.61**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

14. CURRENT INVESTMENTS

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Trade investments (valued at cost unless stated otherwise)		
Investment in mutual funds (Quoted)		
SBI Magnum Balanced Fund-Regular plan- growth (current year 304,913.374 units of ₹65.59 each, previous year 304,913.374 units of ₹65.59 each)	200.00	200.00
Canara Robeco Capital Protection Oriented Fund-Series 2 (Plan A) - Regular Growth (current year 500,000 units of ₹10 each, previous year 500,000 units of ₹10 each)	50.00	50.00
Bank of India AXA Capital Protection Oriented Fund - Series 1 Regular Plan Growth (current year 499,990 units of ₹10 each, previous year 499,990 units of ₹10 each)	50.00	50.00
ICICI Prudential Capital Protection Oriented Fund Series IV Plan G - 60 months (current year 120,000 units of ₹10 each, previous year 120,000 units of ₹10 each)	12.00	12.00
SBI Equity Opportunities Fund Series 1- Regular plan - growth (current year 2,000,000 units of ₹10 each, previous year nil)	200.00	-
SBI Equity Opportunities Fund Series 2- Regular plan - growth (current year 500,000 units of ₹10 each, previous year nil)	50.00	-
Bank of India Axa Equity Debt Rebalancer Fund Regular Plan Growth (current year 917,952.578 units of ₹10.89 each and 884,883.238 units of ₹11.30, previous year nil)	200.00	-
SBI Banking and Finance Services Fund - Regular plan- growth (current year 2,000,000 units of ₹9.57 each, previous year nil)	191.49	-
Canara Robeco Capital Protection Oriented Fund-Series 3 Regular Growth (current year 14,999,400 units of ₹10 each, previous year nil)	149.99	-
Canara Robeco Capital Protection Oriented Fund-Series 5 Regular Growth (current year 1,129,700 units of ₹10 each, previous year nil)	112.97	-
SBI Magnum Global Fund regular plan growth (current year 37,110.488 units of ₹134.73 each, previous year nil)	50.00	-
HDFC CPO III - 1173D January 2015 - Regular Growth (current year 200,000 units of ₹10 each, previous year nil)	20.00	-
ICICI Prudential Capital Protection Oriented Fund Series VI 1100 Days Plan D (current year 150,000 units of ₹10 each, previous year nil)	15.00	-
SBI Dual Advantage Fund Series III - Regular Growth (current year 100,000 units of ₹10 each, previous year nil)	10.00	-
HDFC Equity Fund Growth (current year 219.042 units of ₹456.53 each, previous year nil)	1.00	-
SBI Magnum Insta Cash Fund Liquid Floater (current year nil, previous year 69,937.237 units of ₹2,187.67 each, 74,032.542 units of ₹2,188.22 each)	-	3,150.00
Reliance Money Manager Fund-Growth Plan Growth Option (current year Nil , previous year 93,335.758 units of ₹1,695.99 each, 65,985.887 units of ₹1716.57 each)	-	2,715.66
Canara Robeco Floating Rate - Regular Growth (current year nil, previous year 10,365,156.893 units of ₹19.77 each)	-	2,050.00
ICICI Prudential Banking and PSU Debt Fund (current year nil, previous year 10,845,751.719 units of ₹13.83 each)	-	1,500.00

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

14. CURRENT INVESTMENTS (contd.)

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
SBI Magnum Income Fund (current year nil, previous year 2,405,481.749 units of ₹29.10 each, 1106,622.245 units of ₹29.45 each)	-	1,025.94
Bank of India AXA Treasury Advantage Fund (current year nil, previous year 68,559.685 units of ₹1,495.05 each)	-	1,025.00
Reliance Fixed Horizon Fund - XXV - Series 29-Growth Plan (current year nil, previous year 10,223,200 units of ₹10 each)	-	1,022.32
Canara Robeco Liquid Fund - Regular Growth (current year nil, previous year nil 65,366.016 units of ₹1,552.04 each)	-	1,014.51
Sundaram Ultra Short-Term Fund Regular Growth (current year nil, previous year 5,809,756.464 units of ₹17.31 each)	-	1,006.00
BNP Paribas Flexi Debt Fund - Growth (current year nil, previous year 2,439,833.701 units of ₹20.49 each, 1,222,350.433 units of ₹20.45 each, 1,225,341.96 units of ₹20.41 each)	-	1,000.12
Reliance Liquid Fund - Cash Plan-Growth Option - Growth Plan (current year nil, previous year 49,013.986 units of ₹2,040.23 each)	-	1,000.00
IDFC Money Manager Fund -Treasury Plan Growth (current year nil, previous year 2,499,187.764 units of ₹20.01 each)	-	500.00
Reliance Interval Fund - Quarterly Plan - Series I-Growth Plan Growth Option (current year nil, previous year 2,914,194.458 units of ₹17.15)	-	500.00
SBI Debt Fund Series (current year nil, previous year 5,000,000 units of ₹10 each)	-	500.00
Canara Robeco Medium Term Opportunities Fund (current year nil, previous year 1,000,000 units of ₹10 each)	-	100.00
IDFC Cash Fund Growth (current year nil, previous year 4,265.425 units of ₹1,486.89 each)	-	63.42
SBI Premier Liquid Fund (current year nil, previous year 486.559 units of ₹1,991.73 each)	-	9.69
	1,312.45	**18,494.66**
Market value of quoted investments	1,506.99	18,767.70

15. INVENTORIES (valued at lower of cost or net realisable value)

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Raw materials	49,749.10	67,077.87
Work-in-progress	74,041.99	75,142.43
Finished goods - own manufactured	1,99,194.14	95,492.60
	3,22,985.23	**2,37,712.90**

16. TRADE RECEIVABLES (Unsecured, considered good)

Outstanding for a period exceeding six months from the due date	68.15	100.35
Other	76,684.40	62,221.82
	76,752.55	**62,322.17**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

17. CASH AND BANK BALANCES

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Cash and cash equivalents		
Balances with banks in current accounts	5,656.83	2,282.31
Deposits with maturity less than 3 months	2,100.00	8,380.00
Cheques in hand	22.40	42.28
Cash in hand	1,434.33	408.73
	9,213.56	11,113.32
Other bank balances		
Deposits with maturity more than 3 months but less than 12 months	18,197.82	21,895.54
Deposits with more than 12 months maturity	315.67	918.61
	27,727.05	33,927.47
Less : Amounts disclosed as other non-current assets (Refer note 13)	315.67	918.61
	27,411.38	**33,008.86**

18. OTHER CURRENT ASSETS

Interest accrued on		
- fixed deposits	509.22	723.80
- loan to subsidiary	6.52	-
- loan to others	44.94	58.08
Foreign currency receivables, net	306.66	7,283.95
	867.34	**8,065.83**

19. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

Claims against the Company not acknowledged as debt		
Legal case *	55.00	55.00
Income-tax matters	59.01	38.17
Guarantee given, on behalf of a body corporate	-	100.00
Corporate guarantee for loan taken by wholly owned subsidiary company, PC Universal Private Limited **	1,400.00	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	152.00	69.51

** excluding interest which is not ascertainable.*

*** Guarantees provided to the lender of the wholly owned subsidiary company are for availing banking facilities for business purpose.*

20. REVENUE FROM OPERATIONS

	Year ended 31 March 2015 ₹ in lacs	Year ended 31 March 2014 ₹ in lacs
Sale of products		
Export	1,80,981.73	1,32,274.59
Domestic	4,53,869.91	4,00,208.32
	6,34,851.64	**5,32,482.91**
Details of products sold		
Finished goods - own manufactured *		
Gold jewellery and articles	4,90,276.68	4,25,188.20
Diamond studded jewellery **	1,43,046.36	1,05,844.71
Silver made ups and others ***	1,528.60	1,450.00
	6,34,851.64	**5,32,482.91**

** The management is unable to ascertain the sales value of the traded goods and hence the same have been included in finished goods - own manufactured.*

*** Diamonds studded jewellery comprises jewellery which are studded in gold and platinum jewellery and articles.*

**** Others includes platinum jewellery and watches.*

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

21. OTHER INCOME

	Year ended 31 March 2015 ₹ in lacs	Year ended 31 March 2014 ₹ in lacs
Interest income on:		
fixed deposits with banks	2,039.89	2,769.74
loan to subsidiary company	7.25	-
loan to a body corporate	85.40	85.40
others	4.99	4.18
Net gain on foreign currency transactions and translations	2,326.76	-
Profit on sale of investments	1,345.45	1,844.29
Profit on disposal of fixed assets	0.93	-
Other non-operating income	108.23	19.93
	5,918.90	**4,723.54**

22. COST OF MATERIALS CONSUMED

Raw material		
Opening stock	67,077.87	3,002.07
Add : purchases during the year	6,23,209.51	5,14,043.76
Less : closing stock	49,749.10	67,077.87
	6,40,538.28	**4,49,967.96**
Details of raw materials		
Opening stock		
Gold	3,470.66	441.63
Diamonds	63,577.37	2,544.49
Others	29.84	15.95
	67,077.87	**3,002.07**
Closing stock		
Gold	1,354.54	3,470.66
Diamonds	48,380.19	63,577.37
Others	14.37	29.84
	49,749.10	**67,077.87**
Purchases during the year		
Gold	4,97,732.82	3,72,712.77
Diamonds	1,24,282.17	1,40,257.14
Others	1,194.52	1,073.85
	6,23,209.51	**5,14,043.76**
Consumed during the year		
Gold	4,99,848.94	3,69,683.74
Diamonds	1,39,479.35	79,224.26
Others	1,209.99	1,059.96
	6,40,538.28	**4,49,967.96**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

	Year ended 31 March 2015 ₹ in lacs	Year ended 31 March 2014 ₹ in lacs
Closing stock		
- Finished goods - own manufactured	1,99,194.14	95,492.60
- Work-in-progress	74,041.99	75,142.43
	2,73,236.13	1,70,635.03
Opening stock		
- Finished goods - own manufactured	95,492.60	1,05,189.70
- Work-in-progress	75,142.43	63,178.50
	1,70,635.03	1,68,368.20
	(1,02,601.10)	**(2,266.83)**
Details of finished goods- own manufactured		
Gold	99,504.61	65,270.70
Diamond	98,601.16	29,442.74
Silver made ups and others *	1,088.37	779.16
	1,99,194.14	**95,492.60**
Details of work-in-progress		
Gold	58,378.40	39,886.43
Diamond	15,589.64	35,211.82
Silver made ups and others *	73.95	44.18
	74,041.99	**75,142.43**

* Others includes platinum jewellery and watches.

24. PURCHASE OF TRADED GOODS

Silver made ups and others	296.38	113.97
	296.38	**113.97**

25. EMPLOYEE BENEFITS EXPENSE

Salaries, wages and bonus	4,897.57	4,063.07
Contribution to gratuity (Refer note 6(a))	118.55	55.37
Contribution to provident and other defined contribution funds	232.73	111.80
Staff welfare expenses	305.74	243.82
	5,554.59	**4,474.06**

26. FINANCE COSTS

Interest on:		
loans	19,099.87	12,333.14
late deposit of advance tax	883.13	627.52
Processing fees and commission	2,103.61	1,767.57
	22,086.61	**14,728.23**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

27. OTHER EXPENSES

	Year ended 31 March 2015 ₹ in lacs	Year ended 31 March 2014 ₹ in lacs
Advertisement	4,640.92	3,763.75
Labour charges	3,712.96	3,647.00
Hallmarking charges	53.64	65.93
Packing expenses	224.64	208.12
Rent	3,898.77	2,924.53
Business promotion	1,306.91	1,231.68
Communication	413.07	306.49
Repairs and maintenance		
- office	134.73	156.92
- others	68.14	68.35
Discount and commission *	622.87	2,888.93
Electricity and water	635.76	555.51
Vehicle running and maintenance	102.01	84.13
Insurance	264.19	234.97
Legal and professional	452.48	285.63
Rates and taxes	18.99	45.23
Printing and stationery	141.75	175.42
Security expenses	618.75	467.19
Travelling and conveyance	361.64	333.89
Intangible assets under development written off	109.68	-
Net loss on disposal of fixed assets	-	89.86
Bad debts written off	11.68	-
Net loss on foreign currency transactions and translations	-	2,378.80
Bank charges	595.53	599.67
Donation	233.14	452.44
Miscellaneous	40.22	50.67
	18,662.47	**21,015.11**

* includes nil (previous year ₹1,217.19 lacs) provided against an incentive scheme for sale of jewellery.

28. PRIOR PERIOD ITEMS

Rent straight lining	-	1,003.90
	-	**1,003.90**

29. EARNING PER SHARE

a) Computation of profit per Statement of Profit and Loss attributable to equity shareholders		
Net profit attributable to equity shareholders (₹in lacs)	37,822.63	35,631.33
b) Computation of weighted average number of shares	17,91,00,000	17,91,00,000
c) Nominal value of shares (₹)	10	10
d) Earning per share		
- Basic and diluted (₹)	21.12	19.89

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

30. RELATED PARTY TRANSACTIONS

Related party disclosures, as required by Accounting Standard 18 - Related Party Disclosures, notified under the Act are given below:

(i) Names of related parties where control exists

Mr. Balram Garg and Mr. Padam Chand Gupta
PC Universal Private Limited - wholly owned subsidiary *
Transforming Retail Private Limited - wholly owned subsidiary with effect from 24 September 2014 *

** Certain directors of the Company are also directors in these entities.*

(ii) Key management personnel

Mr. Padam Chand Gupta : Chairman
Mr. Balram Garg : Managing Director

(iii) Relatives of Key management personnel **

Ms. Kusum Jain : Sister of Mr. Padam Chand Gupta and Mr. Balram Garg
Mr. Nitin Gupta : Son of Mr. Padam Chand Gupta
Mr. Sachin Gupta : Son of Mr. Padam Chand Gupta
Smt. Krishna Devi : Wife of Mr. Padam Chand Gupta
Ms. Pooja Garg : Wife of Mr. Balram Garg

(iv) Other entities in which key management personnel has significant influence **

Onyx Townships Private Limited (till 10 June 2014)
Padam Chand, Hindu Undivided Family
Balram Garg, Hindu Undivided Family

*** where transactions have occurred during the year.*

(v) Transactions with related parties during the year

₹ in lacs

Particulars	Wholly owned subsidiary		Key management personnel		Relatives of key management personnel		Other parties		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Rent paid	**-**	**-**	**33.70**	**33.31**	**8.57**	**8.57**	**7.75**	**27.30**	**50.02**	**69.18**
Mr. Padam Chand Gupta	-	-	32.10	31.71	-	-	-	-	32.10	31.71
Mr. Nitin Gupta	-	-	-	-	4.28	4.28	-	-	4.28	4.28
Mr. Sachin Gupta	-	-	-	-	4.28	4.28	-	-	4.28	4.28
Onyx Townships Private Limited	-	-	-	-	-	-	7.75	27.30	7.75	27.30
Remuneration paid	**-**	**-**	**601.65**	**602.61**	**119.00**	**26.51**	**-**	**-**	**720.65**	**629.12**
Mr. Balram Garg	-	-	600.00	600.00	-	-	-	-	600.00	600.00
Ms. Kusum Jain	-	-	-	-	-	4.13	-	-	-	4.13
Mr. Nitin Gupta	-	-	-	-	62.30	11.00	-	-	62.30	11.00
Mr. Sachin Gupta	-	-	-	-	52.50	11.00	-	-	52.50	11.00
Rent income	**9.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**9.00**	**-**
PC Universal Private Limited	9.00	-	-	-	-	-	-	-	9.00	-
Loan given	**1,023.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,023.00**	**-**
PC Universal Private Limited	1,023.00	-	-	-	-	-	-	-	1,023.00	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

30. RELATED PARTY TRANSACTIONS (contd.)

₹ in lacs

Particulars	Wholly owned subsidiary		Key management personnel		Relatives of key management personnel		Other parties		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Expenses incurred on behalf of	**1.52**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.52**	**-**
PC Universal Private Limited	1.52	-	-	-	-	-	-	-	1.52	-
Interest income on loan	**7.25**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7.25**	**-**
PC Universal Private Limited	7.25	-	-	-	-	-	-	-	7.25	-
Corporate guarantee given	**1,400.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,400.00**	**-**
PC Universal Private Limited	1,400.00	-	-	-	-	-	-	-	1,400.00	-
Investment	**1.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.00**	**-**
Transforming Retail Private Limited	1.00	-	-	-	-	-	-	-	1.00	-
Security deposit received	**2.25**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.25**	**-**
PC Universal Private Limited	2.25	-	-	-	-	-	-	-	2.25	-
Interim dividend paid	**-**	**-**	**-**	**1,745.62**	**-**	**99.63**	**-**	**16.91**	**-**	**1,862.16**
Mr. Balram Garg	-	-	-	990.04	-	-	-	-	-	990.04
Mr. Padam Chand Gupta	-	-	-	755.58	-	-	-	-	-	755.58
Smt. Krishna Devi	-	-	-	-	-	80.10	-	-	-	80.10
Mr. Sachin Gupta	-	-	-	-	-	14.88	-	-	-	14.88
Padam Chand, Hindu Undivided Family	-	-	-	-	-	-	-	16.28	-	16.28
Final dividend paid	**-**	**-**	**1,759.84**	**1,163.75**	**99.63**	**66.42**	**16.91**	**11.27**	**1,876.38**	**1,241.44**
Mr. Balram Garg	-	-	1,004.27	660.03	-	-	-	-	1,004.27	660.03
Mr. Padam Chand Gupta	-	-	755.58	503.72	-	-	-	-	755.58	503.72
Smt. Krishna Devi	-	-	-	-	80.10	53.40	-	-	80.10	53.40
Mr. Sachin Gupta	-	-	-	-	14.88	9.92	-	-	14.88	9.92
Padam Chand, Hindu Undivided Family	-	-	-	-	-	-	16.28	10.85	16.28	10.85

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

30. RELATED PARTY TRANSACTIONS (contd.)

(vi) Year end balances of related parties

₹ in lacs

Particulars	Wholly owned subsidiary		Key management personnel		Relatives of key management personnel		Other parties		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Loan and advances	**1,024.52**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,024.52**	**-**
PC Universal Private Limited	1,024.52	-	-	-	-	-	-	-	1,024.52	-
Loan and advances - Rental income receivable	**8.10**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8.10**	**-**
PC Universal Private Limited	8.10	-	-	-	-	-	-	-	8.10	-
Interest accrued on loan	**6.52**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6.52**	**-**
PC Universal Private Limited	6.52	-	-	-	-	-	-	-	6.52	-
Investment	**1.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.00**	**-**
Transforming Retail Private Limited	1.00	-	-	-	-	-	-	-	1.00	-
Other current liabilities - Remuneration	**-**	**-**	**50.00**	**34.63**	**3.25**	**25.82**	**-**	**-**	**53.25**	**60.45**
Mr. Balram Garg	-	-	50.00	32.87	-	-	-	-	50.00	32.87
Mr. Nitin Gupta	-	-	-	-	3.25	25.06	-	-	3.25	25.06
Other current liabilities - Security deposit	**2.25**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.25**	**-**
PC Universal Private Limited	2.25	-	-	-	-	-	-	-	2.25	-
Loan and advances - Security deposit	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**120.00**	**-**	**120.00**
Onyx Townships Private Limited	-	-	-	-	-	-	-	120.00	-	120.00

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

31.

The Company uses forward contracts to hedge its risks associated with fluctuations in foreign currency and interest rates. The use of forward contracts is covered by Company's overall strategy. The Company does not use forward covers for speculative purposes.

As per the strategy of the Company, foreign currency loans are covered by comprehensive hedge, considering the risks associated with the hedging of such loans, which effectively fixes the principal and interest liability of such loans and further there is no additional risk involved post hedging of these loans.

(i) The following are the outstanding forward contracts/derivative contracts in respect of foreign currency loans/ export sales as at 31 March 2015:

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Forward contract buy		
Number of contracts	3	-
Amount in United States Dollar ('USD') - in lacs	95.22	-
Forward contract sell		
Number of contracts	42	24
Amount in USD - in lacs	1,649.00	867.00

(ii) The detail of foreign currency exposure that are not hedged by derivative instrument or otherwise is as mentioned below:-

Included in trade payable		
Amount in USD - in lacs	1,125.79	1,989.06
Amount in ₹ in lacs	70,924.50	1,19,542.39
Currency rate	63.00	60.10
Included in trade receivable		
Amount in USD - in lacs	-	153.02
Amount in ₹ in lacs	-	9,196.64
Currency rate	-	60.10

32. EARNINGS IN FOREIGN CURRENCY

	Year ended 31 March 2015 ₹ in lacs	Year ended 31 March 2014 ₹ in lacs
Export value of goods	1,80,981.73	1,32,274.59
Other income	116.78	90.43
	1,81,098.51	**1,32,365.02**

33. EXPENDITURE IN FOREIGN CURRENCY

Professional and consultation fees	-	0.42
Others	67.68	124.18
	67.68	**124.60**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

34. IMPORTED AND INDIGENOUS CONSUMPTION

	Year ended 31 March 2015 ₹ in lacs	Year ended 31 March 2014 ₹ in lacs
Raw materials		
Imported		
Amount	1,09,607.91	1,19,312.39
Percentage	17%	27%
Indigenous		
Amount	5,30,930.37	3,30,655.57
Percentage	83%	73%
Total		
Amount	**6,40,538.28**	**4,49,967.96**
Percentage	**100%**	**100%**

35. VALUE OF IMPORTS ON CIF BASIS

Raw materials	1,09,607.91	1,19,312.39
Capital goods	125.70	178.79
	1,09,733.61	**1,19,491.18**

36.

(i) Disclosures in respect of non-cancellable operating leases

Rent payable not later than one year	1,556.05	1,201.21
Rent payable later than one year not later than five years	1,128.49	1,057.51
	2,684.54	**2,258.72**

(ii) Lease payments under operating lease are disclosed as 'Rent' in the Statement of Profit and Loss.

37. PAYMENTS TO AUDITORS

Statutory audit	50.00	50.00
Tax audit	4.00	4.00
Other services	31.25	21.50
Out of pocket expense	1.59	2.24
Service tax	10.54	9.33
	97.38	**87.07**

38.

Disclosure for segment information as required by Accounting Standard 17 - Segment Reporting, notified under the Act has been provided in the Consolidated Financial Statements of the Company and its wholly owned subsidiaries.

39. DETAILS OF AMOUNTS DUE FROM ENTITIES PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT WITH THE EXCHANGES:

₹ in lacs

Name of the entity	Maximum balance outstanding during the year ended 31 March 2015	31 March 2015	Maximum balance outstanding during the year ended 31 March 2014	31 March 2014
PC Universal Private Limited	1,033.52	1,032.62	-	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

40. PURSUANT TO THE PROVISIONS OF CLAUSE 43 OF THE LISTING AGREEMENT WITH THE EXCHANGES, THE UTILISATION OF THE NET PROCEEDS OF INITIAL PUBLIC OFFER ('IPO') IS AS FOLLOWS:

₹ in lacs

Particulars	Utilization planned as per prospectus	Utilisation as on 31 March 2015	Balance amount to be utilised as on 31 March 2015
To finance the establishment of new showrooms	51,685.00	50,447.50	1,237.50
General corporate purposes	4,643.70	4,643.70	-
Share issue expenses	3,800.00	3,800.00	-

Interim utilisation of IPO proceeds up to 31 March 2015

Particulars	₹ in lacs
Balance unutilised - temporarily invested in mutual funds	1,237.50

41. RECLASSIFICATIONS

Previous year amounts have been regrouped/rearranged wherever considered necessary to make them comparable with those of the current year.

For and on behalf of the board of directors

Sd/-	Sd/-	Sd/-	Sd/-
Vijay Panwar	**Sanjeev Bhatia**	**Padam Chand Gupta**	**Balram Garg**
Company Secretary	Chief Financial Officer	Chairman	Managing Director
		DIN-00032794	DIN-00032083

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

Sd/-
per **Sharad Jain**
Partner

for **Walker Chandiok & Co LLP**
(formerly Walker, Chandiok & Co)
Chartered Accountants

Sd/-
per **Anupam Kumar**
Partner

Place : New Delhi
Date : 14 May 2015

Independent Auditors' Report

To
The Members of
PC Jeweller Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of PC Jeweller Limited, (the 'Parent Company') and its subsidiaries (collectively referred to as the 'Group'), which comprise the Consolidated Balance Sheet as at 31 March 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the 'consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

2. The Parent Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (the 'Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group, in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The Parent Company's Board of Directors, and the respective Board of Directors of the subsidiaries included in the Group are responsible for the design, implementation and maintenance of internal control 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. Further, in terms with the provisions of the Act, the respective Board of Directors of the Parent Company and its subsidiary companies are responsible for maintenance of adequate accounting records; safeguarding the assets; 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, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Parent Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the auditors' report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Parent Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Parent Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

7. We believe that the audit evidence obtained by us and the audit evidence obtained by Sharad Jain Associates ('SJA') in terms of their reports referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

8. 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 SJA on the financial statements of the subsidiaries as noted below, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated

state of affairs of the Group as at 31 March 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

9. We did not audit the financial statements / financial information of two subsidiaries, included in the consolidated financial statements, whose financial statements / financial information reflect total assets (after eliminating intra-group transactions) of ₹2,291.10 lacs as at 31 March 2015, total revenues (after eliminating intra-group transactions) of ₹1,295.27 lacs and net cash flows amounting to ₹985.85 lacs for the year ended on that date. These financial statements have been audited by SJA whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of SJA.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and on the reports of SJA.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditors' Report) Order, 2015 (the 'Order'), issued by the Central Government of India in terms of Section 143(11) of the Act, and based on the comments in the auditors' reports of subsidiary companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, as applicable to such companies.

11. As required by Section 143(3) of the Act, and based on the auditors' reports of the subsidiaries, we report, to the extent applicable, that:

    a) We have sought and 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;

    c) The consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);

    e) On the basis of the written representations received from the directors of the Parent Company as on 31 March 2015 taken on record by the Board of Directors of the Parent Company and the reports of SJA for the subsidiary companies, none of the directors of the Group companies is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

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

       (i) as detailed in Note 19, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

       (ii) the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

       (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company and its subsidiary companies.

For Walker, Chandiok & Co LLP (formerly Walker, Chandiok & Co) Chartered Accountants F. R. No. 001076N/N500013	For Sharad Jain Associates Chartered Accountants F. R. No. 015201N
Sd/- per Anupam Kumar Partner Membership No. 501531	Sd/- per Sharad Jain Partner Membership No. 83837
Address L 41, Connaught Circus New Delhi - 110001	Address 213, Hans Bhawan, 1, Bahadur shah Zafar Marg Delhi – 110 002

Place: New Delhi
Date: 14 May 2015

Annexure to the Independent Auditors' Report of even date to the members of PC Jeweller Limited on the consolidated financial statements for the year ended 31 March 2015

Based on the audit procedures performed for the purpose of reporting a true and fair view on the consolidated financial statements of the Parent 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 based on the comments in the auditors' reports of two subsidiary companies, we report that:

(i) (a) One subsidiary company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable to it. The Parent Company and another subsidiary company have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management of the Parent Company and the said subsidiary company during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the respective companies and the nature of their assets.

(ii) (a) One subsidiary company does not have any inventory. Accordingly the provisions of clause 3(ii) of the Order are not applicable to it. The management of the Parent Company and another subsidiary company has conducted physical verification of inventory at reasonable intervals during the year, except for stocks of the Parent Company lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management of the Parent Company.

(b) The procedures of physical verification of inventory followed by the management of the Parent Company and the said subsidiary company are reasonable and adequate in relation to the size of the respective companies and the nature of their business.

(c) The Parent Company and the said subsidiary company is maintaining proper records of inventory and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The subsidiary companies have not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable to them. The Parent Company has granted unsecured loan to a company covered in the register maintained under Section 189 of the Act; and with respect to the same:

(a) the principal and interest amounts are not due for repayment currently; and

(b) there is no overdue amount in respect of loan granted to such a company.

(iv) Owing to the nature of its business, one of the subsidiary companies does not maintain any physical inventories or sells any goods or services. Further, there are no transactions pertaining to purchase of fixed assets or sale of services in respect of the aforementioned subsidiary company. Accordingly, clause 3(iv) of the Order with respect to purchase of inventories and fixed assets and sale of goods and services is not applicable to it. Owing to the nature of its business, the Parent Company and another subsidiary company does not sell any services. Accordingly, clause 3(iv) of the Order with respect to sale of services is not applicable to the respective companies. In our opinion, in respect to the Parent Company and the said subsidiary company, there is an adequate internal control system commensurate with the size of respective companies and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

(v) The Parent Company and the subsidiary companies have not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to them.

(vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of products of the Parent Company and the subsidiary companies. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to them.

(vii) (a) The Parent Company and the subsidiary companies are generally regular in depositing undisputed statutory dues including provident fund, employees' state

Annexure to the Independent Auditors' Report of even date to the members of PC Jeweller Limited on the consolidated financial statements for the year ended 31 March 2015

insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) There are no dues in the subsidiary companies in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute. The dues outstanding in the Parent Company in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Amount paid under protest (₹)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income- tax	38.17	-	Assessment year 2011-2012	Commissioner of Income-tax (Appeals)

(c) There were no amounts in the Parent Company and the subsidiary companies which were required to be transferred to the Investor Education and Protection Fund by the respective companies in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Accordingly, the provisions of clause 3(vii)(c) of the Order are not applicable to them.

(viii) The subsidiary companies have been registered for a period of less than five years. Accordingly, the provisions of clause 3(viii) of the Order are not applicable to them. In our opinion, the Parent Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.

(ix) The subsidiary companies have no dues payable to a financial institution or a bank or debenture-holders during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to them. In our opinion, the Parent Company has not defaulted in repayment of dues to any financial institution or a bank during the year. The Parent Company has no dues payable to debenture-holders during the year.

(x) The subsidiary companies have not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(x) of the Order are not applicable to them. In our opinion, the terms and conditions on which the Parent Company has given guarantee for loans taken by others from banks or financial institutions are not, prima facie, prejudicial to the interest of the Parent Company.

(xi) One subsidiary company did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to it. In our opinion, the Parent Company and another subsidiary company have applied the term loans for the purpose for which these loans were obtained.

(xii) No material fraud on or by the Parent Company and the subsidiary companies have been noticed or reported during the period covered by our audit.

For Walker, Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
F. R. No. 001076N/N500013

Sd/-
per Anupam Kumar
Partner
Membership No. 501531

Address
L 41, Connaught Circus
New Delhi - 110001

For Sharad Jain Associates
Chartered Accountants
F. R. No. 015201N

Sd/-
per Sharad Jain
Partner
Membership No. 83837

Address
213, Hans Bhawan,
1, Bahadur shah Zafar Marg
Delhi – 110 002

Place: New Delhi
Date: 14 May 2015

Consolidated Balance Sheet as at 31 March 2015

	Notes	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Equity and liabilities			
Shareholders' funds			
Share capital	4	17,910.00	17,910.00
Reserves and surplus	5	1,81,146.94	1,50,313.76
		1,99,056.94	**1,68,223.76**
Non current liabilities			
Long term borrowings	6	40.69	41.31
Long term provisions	7	287.08	177.01
		327.77	**218.32**
Current liabilities			
Short term borrowings	6	68,100.04	1,00,299.43
Trade payables	8	1,82,152.72	1,28,412.15
Other current liabilities	9	4,966.85	16,356.53
Short term provisions	7	17,792.94	9,743.14
		2,73,012.55	**2,54,811.25**
		4,72,397.26	**4,23,253.33**
Assets			
Non current assets			
Fixed assets			
Tangible assets	10	8,961.70	8,393.04
Intangible assets under development		-	109.68
Deferred tax assets	11	1,251.73	1,073.14
Long term loans and advances	12	7,375.14	8,900.30
Other non-current asset	13	327.75	918.85
		17,916.32	**19,395.01**
Current assets			
Current investments	14	1,312.45	18,494.66
Inventories	15	3,22,985.23	2,37,712.90
Trade receivables	16	78,042.20	62,322.17
Cash and bank balances	17	28,399.67	33,011.30
Short term loans and advances	12	22,876.49	44,251.46
Other current assets	18	864.90	8,065.83
		4,54,480.94	**4,03,858.32**
		4,72,397.26	**4,23,253.33**

Notes 1 to 36 form an integral part of these consolidated financial statements.

For and on behalf of the board of directors

Sd/-	Sd/-	Sd/-	Sd/-
Vijay Panwar	**Sanjeev Bhatia**	**Padam Chand Gupta**	**Balram Garg**
Company Secretary	Chief Financial Officer	Chairman	Managing Director
		DIN-00032794	DIN-00032083

This is the Consolidated Balance Sheet referred to in our report of even date.

for **Sharad Jain Associates**
Chartered Accountants

for **Walker Chandiok & Co LLP**
(formerly Walker, Chandiok & Co)
Chartered Accountants

Sd/-
per **Sharad Jain**
Partner

Sd/-
per **Anupam Kumar**
Partner

Place : New Delhi
Date : 14 May 2015

Consolidated Statement of Profit and Loss for the year ended 31 March 2015

	Notes	Year ended 31 March 2015 ₹ in lacs	Year ended 31 March 2014 ₹ in lacs
Revenue			
Revenue from operations	20	6,36,128.34	5,32,482.91
Other income	21	5,921.22	4,723.54
Total revenue		**6,42,049.56**	**5,37,206.45**
Expenses			
Cost of materials consumed	22	6,41,762.48	4,49,967.96
Changes in inventories of finished goods and work-in-progress	23	(1,02,601.10)	(2,266.83)
Purchases of traded goods	24	296.38	113.97
Employee benefits expense	25	5,572.52	4,474.06
Finance costs	26	22,094.80	14,709.52
Depreciation and amortisation expense	10	2,302.33	1,231.80
Other expenses	27	18,669.88	21,035.26
Prior period items	28	-	1,003.90
Total expenses		**5,88,097.29**	**4,90,269.64**
Profit before tax		53,952.27	46,936.81
Tax expense:			
Current tax		16,246.72	11,879.49
Deferred tax		(137.62)	(231.32)
Deferred tax - earlier years		-	(341.23)
Total - tax expense		16,109.10	11,306.94
Profit for the year		**37,843.17**	**35,629.87**
Earnings per equity share of Rs. 10 each (₹)	29		
- Basic and diluted		21.13	19.89

Notes 1 to 36 form an integral part of these consolidated financial statements.

For and on behalf of the board of directors

Sd/-
Vijay Panwar
Company Secretary

Sd/-
Sanjeev Bhatia
Chief Financial Officer

Sd/-
Padam Chand Gupta
Chairman
DIN-00032794

Sd/-
Balram Garg
Managing Director
DIN-00032083

This is the Consolidated Profit & Loss referred to in our report of even date.

for **Sharad Jain Associates**
Chartered Accountants

Sd/-
per **Sharad Jain**
Partner

for **Walker Chandiok & Co LLP**
(formerly Walker, Chandiok & Co)
Chartered Accountants

Sd/-
per **Anupam Kumar**
Partner

Place : New Delhi
Date : 14 May 2015

Consolidated Cash Flow Statement for the year ended 31 March 2015

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	53,952.27	46,936.81
Adjustments for:		
Depreciation and amortisation expense	2,302.33	1,231.80
Unrealised foreign exchange loss/(gain)	584.65	(8,669.53)
Net (profit)/loss on disposal of fixed assets	(0.93)	89.86
Intangible assets under development written off	109.68	-
Profit on sale of investment	(1,345.45)	(1,844.29)
Interest income on fixed deposit with banks	(2,044.42)	(2,769.74)
Interest income on loan given	(90.39)	(89.58)
Bad debts written off	11.68	-
Finance costs	22,094.80	14,709.52
Operating profit before working capital changes	**75,574.22**	**49,594.85**
Adjustments for:		
Increase in inventories	(85,272.33)	(66,342.63)
(Increase)/decrease in trade receivables	(15,133.79)	3,653.89
Decrease/(increase) in loans and advances	22,800.99	(30,708.86)
Decrease in other current assets	7,283.95	1,910.84
Increase/(decrease) in current liabilities and provisions	41,013.66	(27,937.08)
Cash generated from/(used in) operating activities	**46,266.70**	**(69,828.99)**
Direct taxes paid (net)	12,889.78	8,762.55
Net cash generated from/(used in) operating activities	**33,376.92**	**(78,591.54)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of fixed assets including capital advances	(2,890.55)	(2,811.48)
Proceeds from disposal of fixed assets	3.07	15.10
Proceeds from redemption of current investments, net	18,527.66	27,638.03
Interest received	2,346.62	2,608.90
Sale/(purchase) of fixed deposits, net	3,320.65	(2,832.35)
Net cash generated from investing activities	**21,307.45**	**24,618.20**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term loans	65.00	-
Repayment of long term loans	(98.43)	(78.63)
(Repayments)/proceeds of short term borrowings, net	(32,245.67)	77,206.83
Dividends paid including dividend distribution tax	(3,143.07)	(5,236.28)
Share application money refunded	(0.12)	(9.83)
Interest paid	(21,155.99)	(14,779.89)
Net cash (used in)/ generated from financing activities	**(56,578.28)**	**57,102.20**
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**(1,893.91)**	**3,128.86**
Opening cash and cash equivalents	11,115.76	7,986.90
Closing cash and cash equivalents (refer note 17)	9,221.85	11,115.76
	(1,893.91)	**3,128.86**

Notes 1 to 36 form an integral part of these consolidated financial statements.

For and on behalf of the board of directors

Sd/-
Vijay Panwar
Company Secretary

Sd/-
Sanjeev Bhatia
Chief Financial Officer

Sd/-
Padam Chand Gupta
Chairman
DIN-00032794

Sd/-
Balram Garg
Managing Director
DIN-00032083

This is the Consolidated Cash Flow Statement referred to in our report of even date.

for **Sharad Jain Associates**
Chartered Accountants

Sd/-
per Sharad Jain
Partner

for **Walker Chandiok & Co LLP**
(formerly Walker, Chandiok & Co)
Chartered Accountants

Sd/-
per Anupam Kumar
Partner

Place : New Delhi
Date : 14 May 2015

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015

1. COMPANY OVERVIEW

PC Jeweller Limited (the 'Parent Company') was incorporated on 13 April 2005. The Parent Company is engaged in the business of manufacturing, sale and trading of gold jewellery, diamond studded jewellery and silver items.

On 28 February 2013 and on 24 September 2014 respectively, the Parent Company incorporated PC Universal Private Limited ('PCUPL') and Transforming Retail private limited ('TRPL'), wholly owned subsidiary companies.

2. PRINCIPLES OF CONSOLIDATION

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

The consolidated financial Statements have been prepared in accordance with the notified Accounting Standard (AS-21) on 'consolidated financial statement'. The consolidated financial statements have been prepared on the following basis:

i) Consolidated financial statement normally includes Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and Summary of significant accounting policies and other explanatory information that form an integral part thereof. The consolidated financial statements are presented, to the extent possible, in the same format as adapted by the Parent Company for its standalone financial statements.

ii) The consolidated financial Statements include the financial statements of the Parent Company and its subsidiaries which is more than 50 percent owned or controlled as at the year end.

iii) The consolidated financial statements have been combined on a line by line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and resulting unrealised profits/losses in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the Parent Company and its share in the post-acquisition profit increase in the relevant reserves of the entity to be consolidated.

iv) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Parent Company's standalone financial statements. Differences in accounting policies, if any, are disclosed separately.

v) The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as of the Parent Company.

vi) As per Schedule III to the Companies Act, 2013 (the 'Act'), read with applicable Accounting Standard and General Circular 39/2014 dated 14 October 2014, the disclosures relevant to the consolidated financial statements have been disclosed. Further, additional statutory information disclosed in separate financial statements of the subsidiaries having no bearing on the true and fair view of the consolidated financial statements is not disclosed in these consolidated financial statements.

3. BASIS OF PREPARATION

The consolidated financial statements are prepared under historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India and including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the guiding principles of the Accounting Standard 30, Financial Instruments- Recognition and Measurement issued by the Institute of Chartered Accountants of India in respect of certain derivative instruments. These consolidated financial statements have been prepared on a going concern basis and the accounting policies have been consistently applied by the Group.

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) USE OF ESTIMATES

The preparation of consolidated financial statements in conformity with the principles generally accepted in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the

reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in the current and future periods. The Group's significant estimates pertains to useful life of fixed assets, provision for employee benefits, income taxes and provision for doubtful assets.

b) FIXED ASSETS

Fixed assets are stated at cost (gross block) less accumulated depreciation and amortisation. The cost of fixed assets comprises its purchase price and any cost attributable to bringing the assets to its working condition and intended use. Capital expenditure incurred on rented properties is classified as 'Leasehold improvements' under fixed assets.

c) DEPRECIATION AND AMORTISATION

Depreciation on fixed assets is provided as per the guidance set out in the schedule II to the Act. Depreciation is charged on written down value based on estimated useful life of the asset after considering a residual value as set out in schedule II to the Act. The useful life of the assets are:

Asset description	Useful life
Building	30 years
Plant and machinery	15 years
Office equipments	5 years
Computers	3 years for data processing equipments and 6 years for servers
Furniture and fixtures	10 years
Vehicles	8 years for motor cars and 10 years for scooters

Leasehold improvements have been amortised over the estimated useful life of the assets or the period of lease, whichever is lower.

d) REVENUE RECOGNITION

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. Sales are stated exclusive of sales tax. Excise duty is not applicable to the Group.

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 income is recognised on a time proportion basis taking into account the outstanding amount and the applicable rate.

e) INVESTMENTS

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Current investments are carried at lower of cost or fair value determined on an individual investment basis.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary in the value of the long term investments.

f) INVENTORIES

Inventories are valued as follows:

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.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion to make the sale.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

In respect of purchase of goods at prices that are yet to be fixed at the year end, adjustments to the provisional amounts invoiced by the vendor are recognised based on the year end closing gold rate.

Alloys and consumables are charged to the Statement of Profit and Loss at the time of purchase.

g) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Differences arising out of foreign currency transactions settled during the year are recognised in the Statement of Profit and Loss.

Monetary items outstanding at the balance sheet date and denominated in foreign currencies are recorded at the exchange rate prevailing at the end of the year. Differences arising there from are recognised in the Statement of Profit and Loss.

Forward contracts are entered into to hedge the foreign currency risk of the underlying outstanding assets at the balance sheet date. The premium or discount on such contracts is amortised as income or expense over the life of the contract. Any profit or loss arising on the cancellation or renewal of forward contracts is recognised as an income or expense for the year.

h) DERIVATIVE INSTRUMENTS

The Parent Company uses foreign exchange forward contracts to hedge its exposure towards highly probable forecast transactions. These foreign exchange forward contracts are not used for trading or speculation purposes.

The Parent Company does mark to market valuation on outstanding forward contracts on highly probable forecast transactions and recognises the unrealised gains and losses per the available guiding principles of the Accounting Standard 30, Financial Instruments- Recognition and Measurement issued by the Institute of Chartered Accountants of India.

i) EMPLOYEES' BENEFIT

Wages, salaries, bonuses and paid leave are accrued in the year in which the associated services are rendered by employees of the Group.

The Group has two post employment plans in operation, i.e., Gratuity and Provident fund.

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. The contributions recognised in respect of defined contribution plans are expensed as and when they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short term nature.

The Parent Company provides for gratuity, a defined benefit plan, which defines an amount of benefit that an employee will receive on separation from the Parent Company, usually dependent on one or more factors such as age, years of service and remuneration. The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation ('DBO') at the balance sheet date together with adjustments for unrecognised actuarial gains or losses and past service costs. The present value of DBO is calculated annually by an independent actuary using the projected unit credit method.

j) TAXATION

Tax expense comprises current tax and deferred tax.

Current tax is determined as higher of the amount of tax payable calculated at the tax rates applicable to the relevant assessment year on the assessable income of the respective year or tax payable on book profit computed in accordance with the provisions of section 115 JB of the Income-tax Act, 1961.

Deferred income-tax reflects the impact of current period timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset to the extent it pertains to unabsorbed business loss/ depreciation is recognised only to the extent that there is virtual certainty of realisation based on convincing evidence, as evaluated on a case to case basis. Deferred tax assets or liability arising during tax holiday period is not recognised to the extent it reverses out within the tax holiday period.

Minimum alternate tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income-tax during the specified period. In the period in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Group reviews the same at each balance sheet date and write down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal income-tax during the specified period.

The Parent Company has two factory units which are located in Special Economic Zone, namely, Unit I and Unit II. Unit II is fully exempted from income-tax till 31 March 2015 and both the aforementioned units are partly exempted till 31 March 2022 and 31 March 2025 respectively under the provisions of Section 10AA of the Income-tax Act, 1961.

The Parent Company's manufacturing unit located in Dehradun is eligible for the deduction of 100% of the profits and gains of the unit for the first 5 consecutive years and 30% for the next 5 consecutive years under Section 80 IC of the Income - tax Act, 1961 till 31 March 2019.

k) LEASES

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Lease payments under an operating lease are recognised as an expense in the Statement of Profit and Loss on straight line method over the lease term.

l) IMPAIRMENT OF ASSETS

The Group on an annual basis makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the Group estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is charged to the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

m) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

n) PROVISIONS AND CONTINGENCIES

The Group makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

(i) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully with in the control of the Group; or

(ii) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(iii) present obligation, where a reliable estimate cannot be made.

Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

o) SEGMENT REPORTING

The accounting policies adopted for segment reporting are in line with those of the Group with the following additional policies for segment reporting:

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

a) Revenues and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

b) Expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included as unallocated expenses.

c) Assets and liabilities, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, are shown as unallocated assets and liabilities respectively.

p) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand and short term bank deposits with an original maturity of three months or less.

4. SHARE CAPITAL

	As at 31 March 2015		As at 31 March 2014	
	Number of shares	₹ in lacs	Number of shares	₹ in lacs
Authorised share capital				
Equity shares of ₹10 each	20,00,00,000	20,000.00	20,00,00,000	20,000.00
Issued, subscribed and fully paid up				
Equity shares of ₹10 each	17,91,00,000	17,910.00	17,91,00,000	17,910.00

a) There is no change in equity share capital during the current and previous year.

b) Details of shareholders holding more than 5% of the shares of the Parent Company*

	As at 31 March 2015		As at 31 March 2014	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹10 each				
Mr. Balram Garg	6,69,51,050	37.38%	6,69,51,050	37.38%
Mr. Padam Chand Gupta	5,03,71,800	28.12%	5,03,71,800	28.12%
DVI Fund Mauritius Limited	49,92,819	2.79%	1,34,46,680	7.51%
	12,23,15,669	68.30%	13,07,69,530	73.01%

** 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.*

c) Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years to be given for each class of shares

During the year ended 31 March 2012, the Parent Company had issued two bonus shares for each share held by the shareholders per record on the 16 September 2011. Consequently, 89,311,000 bonus shares of ₹10 each had been issued by utilising the securities premium balance and accumulated profits. Other than the aforementioned bonus issue, the Parent Company has not issued any other shares pursuant to a contract without payment being received in cash nor has there been any buy-back of shares in the current year and preceding five years.

d) Terms and rights attached to equity shares

1) 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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General meeting of the Parent Company. In the event of liquidation of the Parent Company, holders of equity shares will be entitled to receive any of 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 shareholders.

2) During the year ended 31 March 2015, the amount of proposed final dividend recognised as distribution to equity shareholders is ₹3.20 per share (31 March 2014 ₹1.5 per share) and interim dividend paid was nil per share (previous year ₹1.5 per share).

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

5. RESERVES AND SURPLUS

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Securities premium account		
Balance at the end beginning/end of the year	51,817.44	51,817.44
General reserve		
Balance at the beginning of the year	3,563.13	-
Add : Amount transferred from Consolidated Statement of Profit and Loss	1,891.13	3,563.13
Balance at the end of the year	5,454.26	3,563.13
Surplus in the Consolidated Statement of Profit and Loss		
Balance at the beginning of the year	94,933.19	69,152.59
Add : Profit for the year	37,843.17	35,629.87
Less: Depreciation adjustment (refer note 10)	79.54	-
Less: Interim dividend paid on equity shares	-	2,686.50
Less: Proposed final dividend on equity shares	5,731.20	2,686.50
Less: Dividend distribution tax	1,199.25	913.14
Less : Transfer to general reserve	1,891.13	3,563.13
Net surplus in the Consolidated Statement of Profit and Loss	1,23,875.24	94,933.19
	1,81,146.94	**1,50,313.76**

6. BORROWINGS

	As at 31 March 2015		As at 31 March 2014	
	Long term ₹ in lacs	Short term ₹ in lacs	Long term ₹ in lacs	Short term ₹ in lacs
Secured				
Vehicle loans*	40.69	47.67	41.31	80.48
Loans repayable on demand from banks:				
Cash credit facilities**	-	44,810.47	-	67,302.17
Packing credit facilities**	-	4,000.00	-	1,500.00
Post shipment credit facilities**	-	4,363.29	-	12,985.25
Demand loan**	-	14,923.28	-	18,512.01
Sub-total	40.69	68,144.71	41.31	1,00,379.91
Less: Reclassified to current maturities (refer note 9)	-	47.67	-	80.48
Sub-total	40.69	68,097.04	41.31	1,00,299.43
Unsecured				
Loan repayable on demand to related parties	-	3.00	-	-
	40.69	**68,100.04**	**41.31**	**1,00,299.43**

a) Details of security for each type of borrowings

* These are secured by way of hypothecation of assets, thus purchased

** Secured against first pari passu charge on current assets, fixed assets of the Parent Company, fixed deposits of the Parent Company, personal guarantees of certain directors of the Parent Company and certain members of the promoter group and corporate guarantees and collateral securities of other companies. The personal guarantees provided against these borrowings and other non fund based facilities aggregate to ₹262,595 lacs and ₹211,385 lacs as at the current and previous year end respectively.

b) Terms of repayment

Vehicle loans are repayable in maximum 60 equal monthly instalments over the tenure of the loans and the final instalments are due for repayment in April 2017.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

7. PROVISIONS

	As at 31 March 2015		As at 31 March 2014	
	Long term ₹ in lacs	Short term ₹ in lacs	Long term ₹ in lacs	Short term ₹ in lacs
Provisions for employee benefits (Refer note (a) below)	287.08	18.28	177.01	9.80
Provision for taxation (net of prepaid taxes ₹6,166.84 lacs, previous year ₹5,785.55 lacs)	-	10,834.53	-	6,581.31
Proposed equity dividend	-	5,731.20	-	2,686.50
Dividend distribution tax	-	1,199.25	-	456.57
Provision for wealth tax	-	9.68	-	8.96
	287.08	**17,792.94**	**177.01**	**9,743.14**

(a) Employee benefits

	Gratuity	
	31 March 2015 ₹ in lacs	31 March 2014 ₹ in lacs
Change in projected benefit obligation		
Projected benefit obligation at the beginning of the year	186.81	131.43
Service cost	95.77	64.36
Interest cost	17.00	10.65
Actuarial loss/(gain)	5.78	(19.63)
Projected benefit obligation at the end of the year	**305.36**	**186.81**
Expense recognised in the Consolidated Statement of Profit and Loss		
Service cost	95.77	64.36
Interest cost	17.00	10.65
Recognised net actuarial loss/(gain)	5.78	(19.63)
Net costs	**118.55**	**55.38**
Assumptions used		
Discount rate	7.80%	9.10%
Long-term rate of compensation increase	8.00%	8.00%
Average remaining life	30.32	30.62

Note:

The Parent Company assesses these assumptions with the projected long-term plans of growth and prevalent industry standards.

Amounts for the current and previous four years are as follows:

₹ in lacs

	2014-15	2013-14	2012--13	2011-12	2010-11
Defined benefit obligations	305.36	186.81	131.43	62.58	30.39
Experience adjustments on plan liabilities - gain/(loss)	24.79	3.54	(4.61)	1.68	13.49

(b) The Group makes contribution to statutory provident fund and employees' state insurance. These are post employment benefit and are in the nature of defined contribution plans. Contributions made by the Group during the year is ₹234.04 lacs (previous year - ₹111.80 lacs).

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

8. TRADE PAYABLES

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Due to:		
Micro, small and medium enterprises (Refer note (a) below)	-	-
Others	1,82,152.72	1,28,412.15
	1,82,152.72	**1,28,412.15**

(a) The Group has identified the micro, small and medium enterprises under the Micro Small Medium Enterprise Development Act, 2006 (MSMEDA) based upon the information available and confirmations sent to all the suppliers. Based on the information available with the Group and the confirmations received, there are no dues outstanding to these micro, small and medium enterprises as at the balance sheet date. Further, no interest during the year has been paid or payable under the terms of the MSMEDA.

9. OTHER CURRENT LIABILITIES

Current maturities of vehicle loan	47.67	80.48
Interest accrued but not due on borrowings	214.30	158.87
Application money received on allotment of securities and due for refund	2.28	2.40
Unclaimed dividend *	2.26	2.17
Statutory dues	442.43	398.52
Employee related payables	712.14	542.88
Deferred lease rent	1,578.48	1,213.84
Book overdraft	1.28	-
Advance from customers	798.69	12,955.44
Creditors for capital goods	47.89	353.71
Other accruals and payables	1,119.43	648.22
	4,966.85	**16,356.53**

* 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 2015 (contd.)

10. FIXED ASSETS

₹ in lacs

Gross block	Land	Building	Leasehold improvements	Plant and machinery	Office equipments	Computers	Furniture and fixtures	Vehicles	Total
Balance as at 1 April 2013	**757.54**	**435.56**	**3,335.70**	**947.92**	**1,741.92**	**255.85**	**318.45**	**804.49**	**8,597.43**
Additions	-	-	2,429.05	132.78	600.91	70.73	181.03	39.06	3,453.56
Disposals	-	-	(56.91)	-	(129.06)	(1.26)	(69.34)	(29.66)	(286.23)
Balance as at 31 March 2014	**757.54**	**435.56**	**5,707.84**	**1,080.70**	**2,213.77**	**325.32**	**430.14**	**813.89**	**11,764.76**
Additions	-	-	1,864.01	139.46	557.16	155.29	142.95	143.93	3,002.80
Disposals/adjustments	-	-	(8.82)	-	(0.34)	-	-	(14.91)	(24.07)
Balance as at 31 March 2015	**757.54**	**435.56**	**7,563.03**	**1,220.16**	**2,770.59**	**480.61**	**573.09**	**942.91**	**14,743.49**
Accumulated depreciation and amortisation									
Balance as at 1 April 2013	**-**	**82.46**	**911.43**	**221.17**	**469.64**	**127.72**	**100.31**	**408.48**	**2,321.21**
Charge for the year	-	35.31	641.03	94.70	229.99	66.70	57.34	106.73	1,231.80
Reversal on disposal of assets	-	-	(47.29)	-	(68.92)	(1.04)	(39.03)	(25.01)	(181.29)
Balance as at 31 March 2014	**-**	**117.77**	**1,505.17**	**315.87**	**630.71**	**193.38**	**118.62**	**490.20**	**3,371.72**
Charge for the year	-	30.00	714.04	161.94	1,036.53	121.68	102.06	136.08	2,302.33
Reversal on disposal/adjustments of assets	-	-	-	-	-	-	-	(12.77)	(12.77)
Other adjustments (Refer note 2 below)	-	-	-	6.99	109.13	3.81	-	0.58	120.51
Balance as at 31 March 2015	**-**	**147.77**	**2,219.21**	**484.80**	**1,776.37**	**317.87**	**219.68**	**614.09**	**5,781.79**
Net block									
Balance as at 31 March 2014	757.54	317.79	4,202.67	764.83	1,583.06	131.94	311.52	323.69	8,393.04
Balance as at 31 March 2015	757.54	287.79	5,343.82	735.36	994.22	162.74	353.41	328.82	8,961.70

Notes:

1. Effective from 1 April 2014, the Group has revised the estimates of computing the depreciation and amortisation based on the revised useful life of the assets as per the requirements of schedule II of the Act. Consequent to the aforementioned, the depreciation and amortisation charge for the year ended 31 March 2015 is higher by ₹918.42 lacs and fixed assets and profit for the year is lower by a corresponding amount.

2. Further, based on the transitional provisions provided in schedule II of the Act, an amount of ₹79.54 lacs (net of deferred tax of ₹40.97 lacs) has been adjusted with the opening reserves as at 1 April 2014.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

11. DEFERRED TAX ASSETS

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Deferred tax assets arising on account of		
Timing difference on depreciation/amortisation of tangible assets	611.42	182.57
Provision for employee benefits	103.79	64.26
Deferred lease rent	536.52	412.59
Provision for discount	-	413.72
	1,251.73	**1,073.14**

12. LOANS AND ADVANCES

	As at 31 March 2015		As at 31 March 2014	
	Long term ₹ in lacs	Short term ₹ in lacs	Long term ₹ in lacs	Short term ₹ in lacs
(Unsecured, considered good)				
Capital advances	2,164.34	-	2,267.43	-
Security deposits				
Related parties	-	-	120.00	-
Others	3,971.40	-	3,813.53	300.00
Loans and advances				
Loan to a body corporate*	854.03	-	854.03	-
Minimum alternate tax credit entitlement	3.96	-	1,704.08	-
Other loans and advances:				
Prepaid expenses	-	565.90	-	477.71
Balances with government authorities	249.61	55.09	-	306.53
Advances to suppliers	-	21,995.82	-	41,788.10
Others	131.80	259.68	141.23	1,379.12
	7,375.14	**22,876.49**	**8,900.30**	**44,251.46**

* Loan has been given to Shivani Sarees Private Limited for business purposes.

13. OTHER NON-CURRENT ASSETS

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Non-current bank balances (refer note 17)	315.92	918.85
Interest accrued on fixed deposits with banks	11.83	-
	327.75	**918.85**

14. CURRENT INVESTMENTS

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Trade investments (valued at cost unless stated otherwise)		
Investment in mutual funds (Quoted)		
SBI Magnum Balanced Fund-Regular plan- growth (current year 304,913.374 units of ₹65.59 each, previous year 304,913.374 units of ₹65.59 each)	200.00	200.00
Canara Robeco Capital Protection Oriented Fund-Series 2 (Plan A) - Regular Growth (current year 500,000 units of ₹10 each, previous year 500,000 units of ₹10 each)	50.00	50.00

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

14. CURRENT INVESTMENTS (contd.)

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Bank of India AXA Capital Protection Oriented Fund - Series 1 Regular Plan Growth (current year 499,990 units of ₹10 each, previous year 499,990 units of ₹10 each)	50.00	50.00
ICICI Prudential Capital Protection Oriented Fund Series IV Plan G - 60 months (current year 120,000 units of ₹10 each, previous year 120,000 units of ₹10 each)	12.00	12.00
SBI Equity Opportunities Fund Series 1- Regular plan - growth (current year 2,000,000 units of ₹10 each, previous year nil)	200.00	-
SBI Equity Opportunities Fund Series 2- Regular plan - growth (current year 500,000 units of ₹10 each, previous year nil)	50.00	-
Bank of India AXA Equity Debt Rebalancer Fund Regular Plan Growth (current year 917,952.578 units of ₹10.89 each and 884,883.238 units of ₹11.30, previous year nil)	200.00	-
SBI Banking and Finance Services Fund - Regular plan- growth (current year 2,000,000 units of ₹9.57 each, previous year nil)	191.49	-
Canara Robeco Capital Protection Oriented Fund-Series 3 Regular Growth (current year 14,999,400 units of ₹10 each, previous year nil)	149.99	-
Canara Robeco Capital Protection Oriented Fund-Series 5 Regular Growth (current year 1,129,700 of ₹10 each, previous year nil)	112.97	-
SBI Magnum Global Fund Regular plan-growth (current year 37,110.488 units of ₹134.73 each, previous year nil	50.00	-
HDFC CPO III - 1173D January 2015 - Regular Growth (current year 200,000 units of ₹10 each, previous year nil)	20.00	-
ICICI Prudential Capital Protection Oriented Fund Series VI 1100 Days Plan D (current year 150,000 units of ₹10 each, previous year nil)	15.00	-
SBI Dual Advantage Fund Series III - Regular Growth (current year 100,000 units of ₹10 each, previous year nil)	10.00	-
HDFC Equity Fund Growth (current year 219.042 units of ₹456.53 each, previous year nil)	1.00	-
SBI Magnum Insta Cash Fund Liquid Floater (current year nil, previous year 69,937.237 units of ₹2,187.67 each, 74,032.542 units of ₹2,188.22 each)	-	3,150.00
Reliance Money Manager Fund-Growth Plan Growth Option (current year nil, previous year 93,335.758 units of ₹1,695.99 each, 65,985.887 units of ₹1,716.57 each)	-	2,715.66
Canara Robeco Floating Rate - Regular Growth (current year nil, previous year 10,365,156.893 units of ₹19.77 each)	-	2,050.00
ICICI Prudential Banking and PSU Debt Fund (current year nil, previous year 10,845,751.719 units of ₹13.83 each)	-	1,500.00
SBI Magnum Income Fund (current year nil, previous year 2,405,481.749 units of ₹29.10 each, 1106,622.245 units of ₹29.45 each)	-	1,025.94
Bank of India AXA Treasury Advantage Fund (current year nil, previous year 68,559.685 units of ₹1,495.05 each)	-	1,025.00
Reliance Fixed Horizon Fund - XXV - Series 29-Growth Plan (current year nil, previous year 10,223,200 units of ₹10 each)	-	1,022.32
Canara Robeco Liquid Fund - Regular Growth (current year nil, previous year nil 65,366.016 units of ₹1,552.04 each)	-	1,014.51
Sundaram Ultra Short-Term Fund Regular Growth (current year nil, previous year 5,809,756.464 units of ₹17.31 each)	-	1,006.00
BNP Paribas Flexi Debt Fund - Growth (current year nil, previous year 2,439,833.701 units of ₹20.49 each, 1,222,350.433 units of ₹20.45 each, 1,225,341.96 units of ₹20.41 each)	-	1,000.12

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

14. CURRENT INVESTMENTS (contd.)

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Reliance Liquid Fund - Cash Plan-Growth Option - Growth Plan (current year nil, previous year 49,013.986 units of ₹2,040.23 each)	-	1,000.00
IDFC Money Manager Fund -Treasury Plan Growth (current year nil, previous year 2,499,187.764 units of ₹20.01 each)	-	500.00
Reliance Interval Fund - Quarterly Plan - Series I-Growth Plan Growth Option (current year nil, previous year 2,914,194.458 units of ₹17.15 each)	-	500.00
SBI Debt Fund Series (current year nil, previous year 5,000,000 units of ₹10 each)	-	500.00
Canara Robeco Medium Term Opportunities Fund (current year nil, previous year 1,000,000 units of ₹10 each)	-	100.00
IDFC Cash Fund Growth (current year nil, previous year 4,265.425 units of ₹1,486.89 each)	-	63.42
SBI Premier Liquid Fund (current year nil, previous year 486.559 units of ₹1,991.73 each)	-	9.69
	1,312.45	**18,494.66**
Market value of quoted investments	1,506.99	18,767.70

15. INVENTORIES (valued at lower of cost or net realisable value)

Raw materials	49,749.10	67,077.87
Work-in-progress	74,041.99	75,142.43
Finished goods - own manufactured	1,99,194.14	95,492.60
	3,22,985.23	**2,37,712.90**

16. TRADE RECEIVABLES (Unsecured, considered good)

Outstanding for a period exceeding six months from the due date	68.15	100.35
Other	77,974.05	62,221.82
	78,042.20	**62,322.17**

17. CASH AND BANK BALANCES

Cash and cash equivalents		
Balances with banks in current accounts	5,664.30	2,284.65
Deposits with maturity less than 3 months	2,100.00	8,380.00
Cheques in hand	22.40	42.29
Cash in hand	1,435.15	408.82
	9,221.85	11,115.76
Other bank balances		
Deposits with maturity more than 3 months but less than 12 months	19,177.82	21,895.54
Deposits with more than 12 months maturity	315.92	918.85
	28,715.59	33,930.15
Less : Amounts disclosed as other non-current assets (refer note 13)	(315.92)	(918.85)
	28,399.67	**33,011.30**

18. OTHER CURRENT ASSETS

Interest accrued on		
- fixed deposits	513.30	723.80
- loan to others	44.94	58.08
Foreign currency receivables, net	306.66	7,283.95
	864.90	**8,065.83**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

19. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

	As at 31 March 2015 ₹ in lacs	As at 31 March 2014 ₹ in lacs
Claims against the Group not acknowledged as debt		
Legal case *	55.00	55.00
Income-tax matters	59.01	38.17
Guarantee given, on behalf of a body corporate	-	100.00
Estimated amount of contracts remaining to be executed on capital account and not provided for	152.00	69.51

** excluding interest which is not ascertainable.*

20. REVENUE FROM OPERATIONS

	Year ended 31 March 2015 ₹ in lacs	Year ended 31 March 2014 ₹ in lacs
Sale of products		
Export	1,82,258.43	1,32,274.59
Domestic	4,53,869.91	4,00,208.32
	6,36,128.34	**5,32,482.91**

21. OTHER INCOME

Interest income on:		
fixed deposits with banks	2,044.42	2,769.74
loan to a body corporate	85.40	85.40
others	4.99	4.18
Net gain on foreign currency transactions and translations	2,340.53	-
Profit on sale of investments	1,345.45	1,844.29
Profit on disposal of fixed assets	0.93	-
Other non-operating income	99.50	19.93
	5,921.22	**4,723.54**

22. COST OF MATERIALS CONSUMED

Raw material		
Opening stock	67,077.87	3,002.07
Add : purchases during the year	6,24,433.71	5,14,043.76
Less : closing stock	49,749.10	67,077.87
	6,41,762.48	**4,49,967.96**

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Closing stock		
- Finished goods - own manufactured	1,99,194.14	95,492.60
- Work-in-progress	74,041.99	75,142.43
	2,73,236.13	1,70,635.03
Opening stock		
- Finished goods - own manufactured	95,492.60	1,05,189.70
- Work-in-progress	75,142.43	63,178.50
	1,70,635.03	1,68,368.20
	(1,02,601.10)	**(2,266.83)**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

24. PURCHASE OF TRADED GOODS

	Year ended 31 March 2015 ₹ in lacs	Year ended 31 March 2014 ₹ in lacs
Silver made ups and others	296.38	113.97
	296.38	**113.97**

25. EMPLOYEE BENEFITS EXPENSE

Salaries, wages and bonus	4,914.19	4,063.07
Contribution to gratuity (Refer note 7(a))	118.55	55.38
Contribution to provident and other defined contribution funds	234.04	111.80
Staff welfare expenses	305.74	243.81
	5,572.52	**4,474.06**

26. FINANCE COSTS

Interest on:		
loans	19,099.87	12,333.14
late deposit of advance tax	883.38	627.52
Processing fees and commission	2,111.55	1,748.86
	22,094.80	**14,709.52**

27. OTHER EXPENSES

Advertisement	4,640.92	3,763.75
Labour charges	3,713.92	3,647.00
Hallmarking charges	53.64	65.93
Packing expenses	224.64	208.12
Rent	3,900.12	2,925.65
Business promotion	1,307.58	1,231.68
Communication	413.22	306.49
Repairs and maintenance		
- office	134.82	156.92
- others	68.14	68.35
Discount and commission *	622.87	2,888.93
Electricity and water	635.98	555.53
Vehicle running and maintenance	102.01	84.13
Insurance	264.65	234.97
Legal and professional	453.93	285.75
Rates and taxes	19.03	45.23
Printing and stationery	141.83	175.42
Security expenses	618.75	467.19
Travelling and conveyance	362.90	333.89
Intangible assets under development written off	109.68	-
Net loss on disposal of fixed assets	-	89.86
Bad debts written off	11.68	-
Net loss on foreign currency transactions and translations	-	2,378.80
Bank charges	595.53	618.38
Donation	233.14	452.44
Miscellaneous expenses	40.90	50.85
	18,669.88	**21,035.26**

* interalia includes nil (previous year ₹1,217.19 lacs) provided against an incentive scheme for sale of jewellery

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

28. PRIOR PERIOD ITEMS

	Year ended 31 March 2015 ₹ in lacs	Year ended 31 March 2014 ₹ in lacs
Rent straight lining	-	1,003.90
	-	**1,003.90**

29. EARNING PER SHARE

a) Computation of profit per Consolidated Statement of Profit and Loss attributable to equity shareholders		
Net profit attributable to equity shareholders (₹ in lacs)	37,843.17	35,629.87
b) Computation of weighted average number of shares	17,91,00,000	17,91,00,000
c) Nominal value of shares (₹)	10	10
d) Earning per share		
- Basic and diluted (₹)	21.13	19.89

30. SEGMENT REPORTING

The Group is engaged in the business of manufacture and sale of gold jewellery, diamond studded jewellery and silver articles of various designs/ specifications. The Group's manufacturing facilities are located in India. The risks and returns of the Group are affected predominantly by the fact that it operates in different geographical areas i.e. domestic sales and export sales and accordingly geographical segment have been considered as the primary segment information.

There is no business segment to be reported under secondary segment information.

Segment information has been prepared in conformity with the accounting policies adopted for preparation and presentation of the financial statements of the Group.

(a) Information about Business Segment - Primary for the year ended 31 March 2015

₹ in lacs

Particulars	Export		Domestic		Total before eliminations		Eliminations		Total	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Revenue										
Sale of goods	1,82,258.43	1,32,274.59	4,53,869.91	4,00,208.32	6,36,128.34	5,32,482.91	-	-	6,36,128.34	5,32,482.91
Total revenue	**1,82,258.43**	**1,32,274.59**	**4,53,869.91**	**4,00,208.32**	**6,36,128.34**	**5,32,482.91**	**-**	**-**	**6,36,128.34**	**5,32,482.91**
Results										
Segment result	10,462.84	16,339.75	45,068.11	31,862.83	55,530.95	48,202.58	-	-	55,530.95	48,202.58
Unallocated expenses	-	-	-	-	(1,578.68)	(1,265.77)	-	-	(1,578.68)	(1,265.77)
Profit before tax	**10,462.84**	**16,339.75**	**45,068.11**	**31,862.83**	**53,952.27**	**46,936.81**	**-**	**-**	**53,952.27**	**46,936.81**
Less: Tax expense	-	-	-	-	16,109.10	11,306.94	-	-	16,109.10	11,306.94
Profit after tax	-	-	-	-	37,843.17	35,629.87	-	-	37,843.17	35,629.87
Assets										
Segment assets	1,41,057.57	1,17,301.30	3,27,878.45	2,83,658.36	4,68,936.02	4,00,959.66	1,041.40	-	4,67,894.62	4,00,959.66
Unallocated assets	-	-	-	-	4,502.64	22,293.67	-	-	4,502.64	22,293.67
Total assets	**1,41,057.57**	**1,17,301.30**	**3,27,878.45**	**2,83,658.36**	**4,73,438.66**	**4,23,253.33**	**1,041.40**	**-**	**4,72,397.26**	**4,23,253.33**
Liabilities										
Segment liabilities	1,03,269.79	1,00,961.55	1,53,035.67	1,44,147.87	2,56,305.46	2,45,109.42	1,041.40	-	2,55,264.06	2,45,109.42
Unallocated liabilities	-	-	-	-	18,076.26	9,920.15	-	-	18,076.26	9,920.15
Total liabilities	**1,03,269.79**	**1,00,961.55**	**1,53,035.67**	**1,44,147.87**	**2,74,381.72**	**2,55,029.57**	**1,041.40**	**-**	**2,73,340.32**	**2,55,029.57**
Capital expenditure	6.44	0.99	2,996.36	3,452.57	3,002.80	3,453.56	-	-	3,002.80	3,453.56
Unallocated capital expenditure	-	-	-	-	-	5.92	-	-	-	5.92
Total capital expenditure	**6.44**	**0.99**	**2,996.36**	**3,452.57**	**3,002.80**	**3,459.48**	**-**	**-**	**3,002.80**	**3,459.48**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

30. SEGMENT REPORTING (contd.)

₹ in lacs

Particulars	Export		Domestic		Total before eliminations		Eliminations		Total	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Depreciation and amortisation (including ₹120.51 lacs adjusted from opening reserves as at 1 April 2014)	116.98	40.17	2,305.86	1,191.63	2,422.84	1,231.80	-	-	2,422.84	1,231.80
Non cash expenditures other than depreciation (net)										
Unrealised foreign exchange loss/ (gain)	835.39	(8,794.93)	(250.74)	125.40	584.65	(8,669.53)	-	-	584.65	(8,669.53)

Notes:

1. Segment assets include capital work in progress inclusive of capital advances.

2. Capital expenditure pertains to additions made to fixed assets during the year.

31. RELATED PARTY TRANSACTIONS

Related party disclosures, as required by Accounting Standard 18 - Related Party Disclosures, notified under the Act are given below:

(i) Names of related parties where control exists

Mr. Balram Garg and Mr. Padam Chand Gupta

(ii) Key management personnel

Mr. Padam Chand Gupta : Chairman of the Parent Company and Director of PC Universal Private Limiited and Transforming Retail Private Limited

Mr. Balram Garg : Managing Director of the Parent Company and Director of PC Universal Private Limiited and Transforming Retail Private Limited

(iii) Relatives of Key management personnel*

Ms. Kusum Jain : Sister of Mr. Padam Chand Gupta and Mr. Balram Garg
Mr. Nitin Gupta : Son of Mr. Padam Chand Gupta
Mr. Sachin Gupta : Son of Mr. Padam Chand Gupta
Smt. Krishna Devi : Wife of Mr. Padam Chand Gupta
Ms. Pooja Garg : Wife of Mr. Balram Garg

(iv) Other entities in which key management personnel has significant influence*

Onyx Townships Private Limited (Till 10 June 2014)
Padam Chand, Hindu Undivided Family
Balram Garg, Hindu Undivided Family
** where transactions have occurred during the year.*

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

31. RELATED PARTY TRANSACTIONS (contd.)

(v) Transactions with related parties during the year

₹ in lacs

Particulars	Key management personnel		Relatives of key management personnel		Other parties		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Rent paid	**33.70**	**33.31**	**8.57**	**8.57**	**7.75**	**27.30**	**50.02**	**69.18**
Mr. Padam Chand Gupta	32.10	31.71	-	-	-	-	32.10	31.71
Mr. Nitin Gupta	-	-	4.28	4.28	-	-	4.28	4.28
Mr. Sachin Gupta	-	-	4.28	4.28	-	-	4.28	4.28
Onyx Townships Private Limited	-	-	-	-	7.75	27.30	7.75	27.30
Remuneration paid	**601.65**	**602.61**	**119.00**	**26.51**	**-**	**-**	**720.65**	**629.12**
Mr. Balram Garg	600.00	600.00	-	-	-	-	600.00	600.00
Ms. Kusum Jain	-	-	-	4.13	-	-	-	4.13
Mr. Nitin Gupta	-	-	62.30	11.00	-	-	62.30	11.00
Mr. Sachin Gupta	-	-	52.50	11.00	-	-	52.50	11.00
Interim dividend paid	**-**	**1,745.62**	**-**	**99.63**	**-**	**16.91**	**-**	**1,862.16**
Mr. Balram Garg	-	990.04	-	-	-	-	-	990.04
Mr. Padam Chand Gupta	-	755.58	-	-	-	-	-	755.58
Smt. Krishna Devi	-	-	-	80.10	-	-	-	80.10
Mr. Sachin Gupta	-	-	-	14.88	-	-	-	14.88
Padam Chand, HUF	-	-	-	-	-	16.28	-	16.28
Final dividend paid	**1,759.84**	**1,163.75**	**99.63**	**66.42**	**16.91**	**11.27**	**1,876.38**	**1,241.44**
Mr. Balram Garg	1,004.27	660.03	-	-	-	-	1,004.27	660.03
Mr. Padam Chand Gupta	755.58	503.72	-	-	-	-	755.58	503.72
Smt. Krishna Devi	-	-	80.10	53.40	-	-	80.10	53.40
Mr. Sachin Gupta	-	-	14.88	9.92	-	-	14.88	9.92
Padam Chand, HUF	-	-	-	-	16.28	10.85	16.28	10.85

(vi) Year end balances of related parties

₹ in lacs

Particulars	Key management personnel		Relatives of key management personnel		Other parties		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Other current liabilities - Remuneration	**50.00**	**34.63**	**3.25**	**25.82**	**-**	**-**	**53.25**	**60.45**
Mr. Balram Garg	50.00	32.87	-	-	-	-	50.00	32.87
Mr. Nitin Gupta	-	-	3.25	25.06	-	-	3.25	25.06
Loan and advances - Security deposit	**-**	**-**	**-**	**-**	**-**	**120.00**	**-**	**120.00**
Onyx Townships Private Limited	-	-	-	-	-	120.00	-	120.00

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

32.

The Parent Company uses forward contracts to hedge its risks associated with fluctuations in foreign currency and interest rates. The use of forward contracts is covered by Parent Company's overall strategy. The Parent Company does not use forward covers for speculative purposes.

As per the strategy of the Parent Company, foreign currency loans are covered by comprehensive hedge, considering the risks associated with the hedging of such loans, which effectively fixes the principal and interest liability of such loans and further there is no additional risk involved post hedging of these loans.

(i) The following are the outstanding forward contracts/derivative contracts in respect of foreign currency loans/ export sales as at 31 March 2015:

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Forward contract buy		
Number of contracts	3	-
Amount in United States Dollar ('USD') - in lacs	95.22	-
Forward contract sell		
Number of contracts	42	24
Amount in USD - in lacs	1,649.00	867.00

(ii) The detail of foreign currency exposure that are not hedged by derivative instrument or otherwise is as mentioned below:-

Particulars		
Included in trade payable		
Amount in USD - in lacs	1,145.21	1,989.06
Amount in ₹ in lacs	72,140.36	1,19,542.39
Currency rate	63.00/62.59	60.10
Included in trade receivable		
Amount in USD - in lacs	20.60	153.02
Amount in ₹ in lacs	1,289.65	9,196.64
Currency rate	62.59	60.10

33.

(i) Disclosures in respect of non-cancellable operating leases

Particulars		
Payable not later than one year	1,556.05	1,201.21
Payable later than one year not later than five years	1,128.49	1,057.51
	2,684.54	**2,258.72**

(ii) Lease payments under cancellable operating lease are disclosed as 'Rent' in the Consolidated Statement of Profit and Loss.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2015 (contd.)

34. PURSUANT TO THE PROVISIONS OF CLAUSE 43 OF THE LISTING AGREEMENT WITH THE EXCHANGES, THE UTILISATION OF THE NET PROCEEDS OF INITIAL PUBLIC OFFER ('IPO') MADE BY THE PARENT COMPANY IS AS FOLLOWS:

₹ in lacs

Particulars	Utilisation planned as per Prospectus	Utilisation of IPO proceeds as on 31 March 2015	Balance amount to be utilised as on 31 March 2015
To finance the establishment of new showrooms	51,685.00	50,447.50	1,237.50
General corporate purposes	4,643.70	4,643.70	-
Share issue expenses	3,800.00	3,800.00	-

Interim utilisation of IPO proceeds up to 31 March 2015

Particulars	₹ in lacs
Balance unutilised - temporarily invested in mutual funds	1,237.50

35. ADDITIONAL INFORMATION TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2015 (PURSUANT TO SCHEDULE III TO THE ACT):

₹ in lacs

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or (loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit and loss
Parent Company				
PC Jeweller Limited	1,97,995.53	99.47%	37,806.38	99.90%
Subsidiaries				
PC Universal Private Limited	1,060.72	0.53%	37.10	0.10%
Transforming Retail Private Limited	0.69	*	(0.31)	*
Total	**1,99,056.94**	**100.00%**	**37,843.17**	**100.00%**

* Rounded off to nil

36. RECLASSIFICATIONS

Previous year amounts have been regrouped/rearranged wherever considered necessary to make them comparable with those of the current year.

For and on behalf of the board of directors

Sd/-	Sd/-	Sd/-	Sd/-
Vijay Panwar	**Sanjeev Bhatia**	**Padam Chand Gupta**	**Balram Garg**
Company Secretary	Chief Financial Officer	Chairman	Managing Director
		DIN-00032794	DIN-00032083

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

Sd/-
per **Sharad Jain**
Partner

for **Walker Chandiok & Co LLP**
(formerly Walker, Chandiok & Co)
Chartered Accountants

Sd/-
per **Anupam Kumar**
Partner

Place : New Delhi
Date : 14 May 2015

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 statement of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

₹ in lacs

Sl. No.	Name of the subsidiary	PC Universal Private Limited	Transforming Retail Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	1 April, 2014 to 31 March, 2015	24 September, 2014 to 31 March, 2015
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	INR
3	Share capital	5.00	1.00
4	Reserves & surplus	18.82	(0.31)
5	Total assets	2,282.11	0.77
6	Total Liabilities	2,268.76	0.08
7	Investments	0	0
8	Turnover	1,276.70	0
9	Profit before taxation	20.95	(0.31)
10	Provision for taxation	0.09	0
11	Profit after taxation	20.86	(0.31)
12	Proposed Dividend	0	0
13	% of shareholding	100	100

1. Names of subsidiaries which are yet to commence operations: Transforming Retail Private Limited

2. Names of subsidiaries which have been liquidated or sold during the year: None

Sd/-
Vijay Panwar
Company Secretary

Sd/-
Sanjeev Bhatia
Chief Financial Officer

Sd/-
Balram Garg
Managing Director
DIN: 00032083

Sd/-
Padam Chand Gupta
Chairman
DIN: 00032794

NOTES

NOTES

PC Jeweller

PC Jeweller Limited
C – 54, Preet Vihar, Vikas Marg, Delhi – 110 092
CIN: L36911DL2005PLC134929