



Craftsmanship @ Work



# Table of Contents

## Corporate Overview

Craftsmanship @ Work	01
Crafting eternal smiles	02
Crafting sustainable business	06
Performance Charts	10
Awards & Accolades	11
Message from the Managing Director	12
Corporate Information	14

## Statutory Reports

Directors' Report	15
Report on Corporate Governance	43
Management Discussion & Analysis	57
Business Responsibility Report	59

## Standalone Financial Statements

Auditors Report	64
Balance Sheet	70
Statement of Profit and Loss	71
Statement of Changes in Equity	72
Cash Flow Statement	73
Notes forming part of the Financial Statements	75

## Consolidated Financial Statements

Auditors Report	123
Consolidated Balance Sheet	128
Consolidated Statement of Profit and Loss	129
Consolidated Statement of Changes in Equity	130
Consolidated Cash Flow Statement	131
Notes forming part of the Financial Statements	133

## Statement containing salient

### features of the financial statement of Subsidiaries

Notice of 12 <sup>th</sup> Annual General Meeting	182
	183

#### Caution regarding forward looking statements

Certain statements in this annual report concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should, known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



## Craftsmanship @ Work

Craftsmanship is the art of creating masterpieces through skill, passion, persistence and precision. At PC Jeweller (PCJ), we take it a notch higher. For us, it is creativity and artistry at its best, and together they produce a piece of art that can win many hearts with its beauty and charm.

Every product at PCJ speaks volumes of our mastery of creating marvels. Our range of jewellery matches a customer's need, suiting the varied moods, befitting every occasion and catering to every pocket, all of which are reasons enough for their smile and satisfaction and explain their fondness for anything and everything. Our collections have received an overwhelming response from the customers over the years that goes on to prove the craftsmanship at PCJ. Be it the flexibility of Flexia or elegance of Inayat or trendiness of Amalia or the luxury of Azva, PCJ has given ample reasons to take pride in these pieces of jewellery.

Our craftsmanship is not only about our products, but it also extends to our business which we nurture the same way. At PC Jeweller, we understand the innate need to have the personal interaction between our customers and us. We responded with 3,86,923 Sq. ft. area across 75 retail showrooms since inception. 'Jeweller for Generations', quite literally for us, translates into a vision that we saw when we began our journey.

Our products have a global reach. Today our overseas revenues contribute approximately 34% to our total revenues. Today, our country and industry are going through transformational changes which are bound to benefit organized jewellery segment. We believe that years of investment in becoming India's No. 2 listed jewellery retailer will help us lead from the front as an organized player.

We believe that it is just the beginning of gaining momentum and we are here to stay, sustain and lead. Craftsmanship @ Work is not just a philosophy of PCJ but an integral and inherent part of our life, living and being.







## Crafting eternal smiles with passion

A craftsman's true reward is the glimmer of a smile in a customer's eyes. It is the smile of pride, and the pride of possessing an irresistible piece of art. It is where the essence of our artistry lies.

At PC Jeweller, we believe in delivering smiles that shine more than the masterpieces that we painstakingly craft. Their appreciation gives us satisfaction and it is our motivation to aim higher. With our products, we aim to reach more customers, score more on their loyalty and add more smiles.

PC Jeweller has through the years brought some iconic jewellery collections that have caught the mind space of its customers. One of the most revolutionary and iconic collections has been 'Flexia', a flexible piece of jewellery that can be transformed into many different pieces by detaching and re-attaching. Our latest brand "Azva" is inspired by the seven vows of the Indian wedding.





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With every collection, we aim to move closer to our customers' hearts. We understand the importance of jewellery and the intensity, sincerity and stakes involved in the decision to buy that jewellery. A personal interaction comes in handy to help a customer decide on what he or she wants. We understand the value of this interaction as an integral part of the consumer behavior and our culture.

Our vision has been to build a formidable network of retail presence across the country. As at end of FY2016-17, we reach our customers through 75 showrooms across the length and breadth of India, which includes five franchise showrooms and exclusive lounges at 10 showrooms. All our showrooms are strategically located, elegantly designed and spaciouly built. We are moving on the 'e-way' to reach the 'netizen' community through our online portal [www.wearyourshine.com](http://www.wearyourshine.com) operated under a wholly owned subsidiary.

In our endeavour to craft a happy customer experience, we added some benchmark differentiators. PCJ diamond procurement policy ensures 100% conflict-free diamonds. All our showrooms are equipped with Karatmeter for any customer to do quality check for gold. All our gold jewellery is 100% hallmarked. PCJ also follows the policy of 100% refund including tax (VAT) if the purchases are returned within a week.









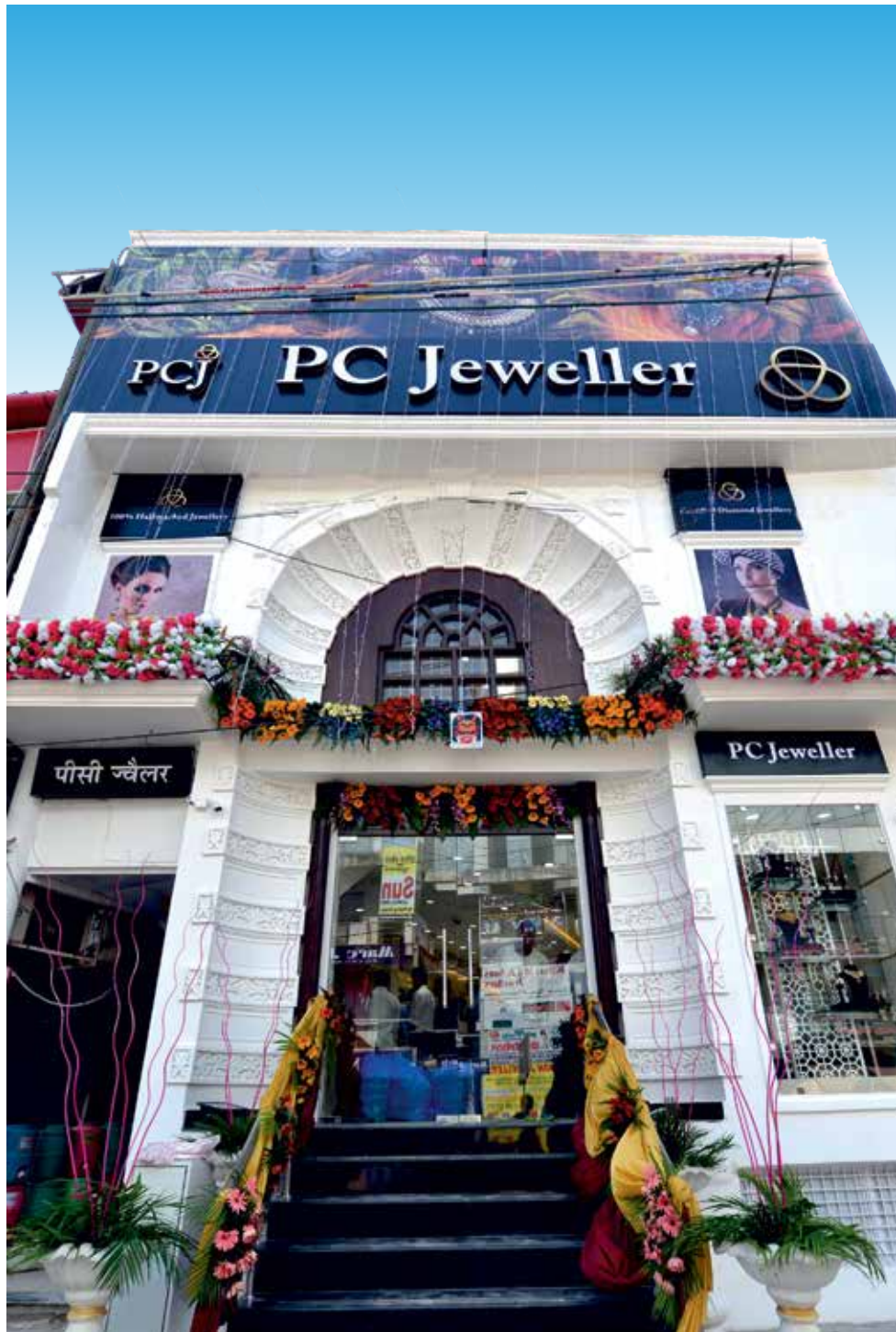
▲ ALWAR (RAJASTHAN)



▲ HAPUR (U.P.)



▲ ALIGARH (U.P.)



▲ AGRA (U.P.)



## Crafting sustainable business with precision

We started our journey in 2005 with one showroom in Karol Bagh, New Delhi, India. We had the skills, we had the intent, and the resolve to play longer, and the rest, as they say, is history. It has been quite fulfilling and eventful so far and with every step that we take, we are crossing milestones and treading ahead with promise to make our customers smile and get our business to shine.

Within a span of 12 years, we have opened 75 showrooms, of which 15 were opened in FY 2016-17 alone. The strategic locations and wider geographic presence have been the characteristics of our expansion strategy. Today, our showrooms are present across 58 cities in 18 states from North to South and East to West of the nation. We had started with one franchisee showroom in FY 2015-16 and during FY 2016-17, we opened four new franchisee showrooms.



▲ BAHADURGARH (HARYANA)



▲ DWARKA (DELHI)



▲ NOIDA, LOGIX MALL (U.P.)

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Being sustainable is the essential part of a progressive organization that intends not just to stay but also to lead in the longer-term. Since inception, we have been building a revenue mix that was diversified and carries domestic sales as well as exports. Today, our sales contribution ratio stands at 66% from domestic sales and 34% from exports which is largely a B2B business.

Our strategy of precision crafting a sustainable and profitable jewellery business has been steadily translating into positive results, fairly consistently. During FY 2016-17, we grew our revenues by about 12% from ₹ 7,232 Crores in FY 2015-16 to ₹ 8,105 Crores in FY 2016-17, whereas our Net Profit grew by about 8% during the same period. We were able to put up this performance in the backdrop of major transformational changes across our economy and industry including demonetization, levy of 1% excise duty on jewellery, mandatory PAN furnishing for the purchase of jewellery worth more than ₹ 2 Lakh. We believe that these structural changes in our industry, which is still unorganized to the tune of 75%, will help the organized players like PCJ in the longer run.