

Date: November 14, 2018

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

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

**Sub.: Un-Audited Standalone Financial Results for the quarter and six months ended
September 30, 2018**

Dear Sir/Madam,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the following:

- 1) Un-audited standalone financial results of the Company for the quarter and six months ended September 30, 2018.
- 2) Limited Review Report by Statutory Auditors.
- 3) Summary of financial results.


The Board meeting commenced at *1:30 P.M.* and concluded at *3:10 P.M.*


Kindly take the same on record.

Thanking you.

Yours sincerely,

For **PC Jeweller Limited**


(VIJAY PANWAR)
Company Secretary



Encl.: As above

PC Jeweller Limited

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PC JEWELLER LIMITED

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PART I

Statement of standalone unaudited financial results for the quarter and six months ended 30 September 2018

(Rs. in crore)

S.No.	Particulars	3 months ended	3 months ended	3 months ended	6 months ended	6 months ended	Year ended
		30 September 2018	30 June 2018	30 September 2017	30 September 2018	30 September 2017	31 March 2018
		(Unaudited)	(Unaudited)	(Unaudited)#	(Unaudited)	(Unaudited)#	(Audited)#
I	Revenue from operations	1,635.08	2,423.21	2,622.32	4,058.29	4,740.86	9,488.97
II	Other income	28.10	32.22	20.83	60.32	42.45	99.57
III	Total income (I+II)	1,663.18	2,455.43	2,643.15	4,118.61	4,783.31	9,588.54
IV	Expenses						
	a) Cost of materials consumed	1,630.88	2,139.41	2,486.89	3,770.29	4,044.67	8,830.81
	b) Purchases of stock-in-trade	1.15	0.35	257.84	1.50	294.21	318.08
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(270.37)	(33.56)	(472.06)	(303.93)	(253.63)	(1,006.42)
	d) Excise duty	-	-	-	-	3.47	3.47
	e) Employee benefits expense	29.52	27.20	22.28	56.72	43.47	89.69
	f) Finance costs	97.67	82.68	79.08	180.35	141.19	311.88
	g) Depreciation and amortization expense	4.30	4.29	4.91	8.59	9.83	20.46
	h) Other expenses	38.10	41.42	46.38	79.52	92.13	250.40
	Total expenses (IV)	1,531.25	2,261.79	2,425.32	3,793.04	4,375.34	8,818.37
V	Profit before tax (III-IV)	131.93	193.64	217.83	325.57	407.97	770.17
VI	Tax expense						
	a) Current tax	46.70	51.43	62.48	98.13	111.58	198.65
	b) Deferred tax	(8.49)	0.28	4.76	(8.21)	9.98	4.12
VII	Profit for the period (V - VI)	93.72	141.93	150.59	235.65	286.41	567.40
VIII	Other comprehensive income						
	(i) Items that will not be reclassified to profit or loss	-*	-*	-*	-*	-*	0.76
	(ii) Income-tax relating to items that will not be reclassified to profit or loss	-*	-*	-*	-*	-*	(0.26)
IX	Total comprehensive income for the period (comprising profit and other comprehensive income for the period) (VII+VIII)	93.72	141.93	150.59	235.65	286.41	567.90
X	Paid-up equity share capital (Face value Rs 10/- per share)	394.65	394.47	394.36	394.65	394.36	394.36
XI	Other equity						3,531.44
XII	Earnings per share : (of Rs. 10/- each)	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(annualized)
	(a) Basic (Rs.)	2.38	3.60	4.02	5.97	7.81	14.94
	(b) Diluted (Rs.)	2.37	3.59	3.94	5.96	7.59	14.73

*Rounded off to nil

#Restated (refer note 3)

See accompanying notes to the financial results.

PART II

Segment wise revenue, results, assets and liabilities

(Rs. in crore)

Particulars	3 months ended	3 months ended	3 months ended	6 months ended	6 months ended	Year ended
	30 September 2018	30 June 2018	30 September 2017	30 September 2018	30 September 2017	31 March 2018
	(Unaudited)	(Unaudited)	(Unaudited)#	(Unaudited)	(Unaudited)#	(Audited)#
1 Segment revenue						
Net sales/income from the segment						
(a) Exports	84.72	807.68	771.36	892.40	1,507.35	2,690.37
(b) Domestic	1,550.36	1,615.53	1,850.96	3,165.89	3,233.51	6,798.60
Total income from operations	1,635.08	2,423.21	2,622.32	4,058.29	4,740.86	9,488.97
2 Segment results						
Profit before tax and interest from each segment						
(a) Exports	23.55	86.28	73.29	109.83	114.88	215.05
(b) Domestic	204.10	188.60	219.75	392.70	425.62	870.30
Total profit before finance cost and unallocable expenditure	227.65	274.88	293.04	502.53	540.50	1,085.35
Less:						
i) Finance costs	90.08	82.38	73.51	172.46	133.15	300.58
(ii) Unallocable (income)/expenses, net	5.64	(1.14)	1.70	4.50	(0.62)	14.60
Net profit before tax	131.93	193.64	217.83	325.57	407.97	770.17
3 Segment assets						
(a) Exports	1,476.30	1,930.81	1,781.17	1,476.30	1,781.17	2,337.98
(b) Domestic	6,653.89	6,405.44	5,580.70	6,653.89	5,580.70	6,314.30
(c) Unallocated	357.48	348.09	334.16	357.48	334.16	308.70
Total segment assets	8,487.67	8,684.34	7,696.03	8,487.67	7,696.03	8,960.98
Segment liabilities						
(a) Exports	1,329.84	1,711.07	1,661.38	1,329.84	1,661.38	2,037.11
(b) Domestic	2,755.81	2,715.72	2,244.93	2,755.81	2,244.93	2,868.97
(c) Unallocated	222.04	182.92	147.66	222.04	147.66	129.10
Total segment liabilities	4,307.69	4,609.71	4,053.97	4,307.69	4,053.97	5,035.18

#Restated (refer note 3)



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Statement of standalone assets and liabilities		(Rs. in crore)	
Particulars	As at	As at	
	30 September 2018	31 March 2018	
	(Unaudited)	(Audited)	
ASSETS			
1 Non-current assets			
a) Property, plant and equipment	67.89	77.30	
b) Capital work-in-progress	0.43	0.00	
c) Financial assets			
i) Investments	134.98	133.93	
ii) Loans	164.97	129.50	
iii) Other financial assets	1.10	6.77	
d) Deferred tax assets (net)	27.13	18.92	
e) Other non-current assets	23.12	27.70	
Total non-current assets	419.62	394.12	
2 Current assets			
a) Inventories	5,131.15	5,161.28	
b) Financial assets			
i) Investments	13.94	18.63	
ii) Trade receivables	1,976.34	1,761.81	
iii) Cash and cash equivalents	158.17	382.74	
iv) Bank balance other than (iii) above	646.06	1,108.73	
v) Loans	42.57	32.11	
vi) Other financial assets	0.02	7.18	
c) Other current assets	99.80	94.38	
Total current assets	8,068.05	8,566.86	
Total assets	8,487.67	8,960.98	
EQUITY AND LIABILITIES			
1 Equity			
a) Equity share capital	394.65	394.36	
b) Other equity	3,785.33	3,531.44	
Total equity	4,179.98	3,925.80	
LIABILITIES			
1 Non-current liabilities			
a) Financial liabilities			
i) Borrowings	20.79	29.50	
b) Provisions	6.84	6.42	
Total non-current liabilities	27.63	35.92	
2 Current liabilities			
a) Financial liabilities			
i) Borrowings	1,702.33	1,024.97	
ii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	0.56	0.54	
- Total outstanding dues of creditors other than micro enterprises and small enterprises	2,049.74	3,560.64	
iii) Other financial liabilities [other than those specified in item (c)]	112.00	104.94	
b) Other current liabilities	200.23	185.49	
c) Provisions	2.47	2.23	
d) Current tax liabilities (net)	212.73	120.45	
Total current liabilities	4,280.06	4,999.26	
Total liabilities	4,307.69	5,035.18	
Total equity and liabilities	8,487.67	8,960.98	

See accompanying notes to the financial results.

Notes:

- The standalone financial results of PC Jeweller Limited ('PCJ' or 'Company') for the quarter and six months ended 30 September 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14 November 2018.
- The Company is engaged in the business of manufacture and sale of gold jewellery, diamond studded jewellery and silver articles of various designs/specifications. The Company's manufacturing facilities are located in India. Segment level information as per Ind AS 108 'Operating Segments' is provided for the different geographical areas i.e. within and outside India represented by domestic and exports respectively, in line with the review of operating results by the chief operating decision maker.
- Ind AS 115 "Revenue from Contracts with Customers" is mandatory for reporting period beginning on or after 01 April 2018 and has replaced existing Ind AS related thereto. The Company has applied the full retrospective approach and restated the previous periods presented. The application of Ind AS 115 did not have any significant impact on financial results of the Company. However the below adjustments relating to classification are done, the following table summarises the impact of adopting Ind AS 115 on the financial results:

Particulars	(Rs. in crore)		
	3 months ended 30 September 2017	6 months ended 30 September 2017	Year ended 31 March 2018
Finance costs as reported	76.44	136.08	301.29
Change on adoption of Ind AS 115	2.64	5.11	10.59
Finance costs post adoption of Ind AS 115	79.08	141.19	311.88
Other expenses as reported	48.85	96.94	260.38
Change on adoption of Ind AS 115	(2.47)	(4.81)	(9.98)
Other expenses post adoption of Ind AS 115	46.38	92.13	250.40
Other income as reported	20.66	42.15	98.96
Change on adoption of Ind AS 115	0.17	0.30	0.61
Other income post adoption of Ind AS 115	20.83	42.45	99.57

The above adjustments has no impact on the net profit after tax and earnings per share for the respective periods presented.

- Post the applicability of Goods and Service Tax (GST) with effect from 1 July 2017, Revenue from Operations are required to be disclosed net of GST in accordance with the requirements of Ind AS. Accordingly, the Revenue from Operations for the half year ended 30 September 2018 is not comparable with the corresponding half year ended 30 September 2017 presented in the financial results which is reported inclusive of excise duty.

For and on behalf of the Board of Directors
PC Jeweller Limited

Baram Garg
Managing Director
DIN-00032083

Place: New Delhi
Date: 14 November 2018



**SIGNED FOR
IDENTIFICATION
PURPOSES**



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Independent Auditor's Review Report on Quarterly Financial Results and Year to Date results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of PC Jeweller Limited

1. We have reviewed the accompanying statement of unaudited financial results ("Statement") of PC Jeweller Limited ("the Company") for the quarter ended 30 September 2018 and the year to date results for the period 01 April 2018 to 30 September 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiook & Co LLP

Chartered Accountants
Firm Registration No: 001076N/N500013

Rajni Mundry..

Rajni Mundra
Partner
Membership No.: 058644

Place: New Delhi
Date: 14 November 2018



SUMMARY OF FINANCIAL RESULTS – Q2 FY 2019

Overview

Q2 FY19 was a period of consolidation for the company amidst a subdued market environment in the jewellery sector. PCJ utilized this quarter to rationalize inventory, exports business and consequently reduce overall bank exposure on the balance sheet. Overall sales in Q2 witnessed a degrowth of 38%. The PAT during this period declined by 38%. Gross margins improved from 12.9% to 16.7% on the back higher contribution of domestic business to overall sales and improvement in domestic gross margins.

Domestic Sales

The company did not offer any promotional schemes during this quarter and instead concentrated on margins. The domestic gross margins improved from 14.7% to 17.2%. Domestic sales contributed 95% of overall business. Domestic sales however witnessed degrowth of 16% over Q2 FY2018. As part of continuing process of rationalization, Bangalore and Kolkata stores were closed during the quarter.

Export Sales

The export business is a credit based business and the company wants to rationalize exports business as the credit availability is getting squeezed. Exports contributed to only 5% of overall sales. The Company was able to bring down exports by 89% in Q2FY19. The company is therefore targeting to limit the export sales to Rs. 2,000 cr in FY19 (as against Rs. 2,690 cr in FY18).

Bank Exposure and Cash Position

As committed, the company has reduced its overall banking exposure (which includes MGL as well) by Rs. 805 crores in the first six months of FY19 (Rs 4,490 cr as on 31st March 2018 to Rs 3,685 cr as on 30th Sep 2018).

Total cash on books as on 30th Sep 2018 was Rs 804 cr and the company proposes to utilise approx. Rs 500 cr of cash and internal accruals for further reduction of bank exposure in H2 FY2019.

Yours Truly,
For PC Jeweller Limited

Sanjeev Bhatia
(CFO)



PC Jeweller Limited