

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF M/S PC UNIVERSAL PRIVATE LIMITED.

We have audited the accompanying financial statements of PC Universal Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow for the Period then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these 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 Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:



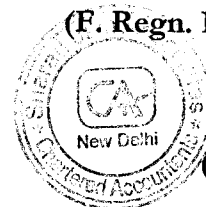
- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the period ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the period ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have 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 Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - (e) On the basis of the written representations received from the directors as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

Place: New Delhi
Date: 15.05.2014

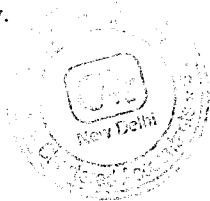
For Sharad Jain Associates
Chartered Accountants
(F. Regn. No.015201N)



(Rajat Jain)
Partner
M.No.516618

As required by the Companies (Auditors Report) (Amendment) Order 2004 issued by Central Government of India in terms of sub-section (4A) of section 227 of Companies Act 1956 we further 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 management during the period and no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable having regard to the size of the company and the nature of its assets.
 - (c) In our opinion the company has not disposed off substantial part of fixed assets during the period and the going concern status of the company is not affected.
- (ii) The company has not maintained any inventory during the period.
- (iii) (a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(b) to 4(iii) (d) of the Order are not applicable.
 - (b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(f) and 4(iii)(g) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets, inventory and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered regarding contracts & agreements into the register maintained u/s 301 of Company Act, 1956 have been so entered. None of the transactions are prejudicial to the interest of the company in terms of their cost to the company.
- (vi) In our opinion and according to the information and explanations given to us the company has not accepted any deposit to which the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the companies (acceptance of deposits) Rules, 1975 apply.



- (vii) The internal audit system of the company can be said to be commensurate with the size and nature of its business.
- (viii) Central Government has not prescribed the maintenance of cost records u/s 209 (1) (d) of the Companies Act, 1956.
- (ix) (a) The company in general, is regular in depositing with appropriate authorities undisputed statutory dues.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, excise duty, sales tax, custom duty, were in arrears, as at March 31, 2014 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of sales tax, income tax and excise duty, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
- (x) The company has not been in existence for a period exceeding five years as on March 31, 2014. Therefore clause 4(x) of the Order is not applicable.
- (xi) In our opinion and according to the information and explanations given to us, the company has no dues payable to any financial institution or bank.
- (xii) According to the information and explanations given to us the company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore clause 4(xiii) of the Order is not applicable.
- (xiv) In our opinion and as per the explanation given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Therefore clause 4(xiv) of the Order is not applicable.
- (xv) In our opinion and according to the explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, no term loans were availed by the company during the period.



- (xvii) In our opinion, no funds raised on short-term basis have been used for long-term investment by the Company.
- (xviii) During the period the company has not made preferential allotment of shares to parties and companies covered in register maintained under section 301 of the Companies Act, 1956.
- (xix) According to information and explanations given to us the company has not issued any debentures during the period covered by our audit report.
- (xx) The Company has not raised any money by public issue during the period.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the period.

Place: New Delhi
Date: 15.05.2014

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



R. Jain
(Rajat Jain)
Partner
M.No.516618


PC Universal Private Limited
Balance Sheet as at March 31, 2014

Particulars	Notes	As at March 31, 2014 (In rupees)
Equity and liabilities		
Shareholders' funds		
Share capital	3	5,00,000
Reserves and surplus	4	-2,03,584
		<u>2,96,416</u>
Current liabilities		
Other current liabilities	5	13,236
		<u>13,236</u>
		<u><u>3,09,652</u></u>
Assets		
Non-current assets		
Fixed Assets		
Tangible assets	6	12,363
Long term loans and advances	7	20,000
Other non current asset	8	25,000
		<u>57,363</u>
Current assets		
Cash and cash equivalents	9	2,43,864
Short term loans and advances	7	8,425
		<u>2,52,289</u>
		<u><u>3,09,652</u></u>

Notes 1 to 16 form an integral part of these financial statements
This is the balance sheet referred to in our report of even date

For PC Universal Private Limited

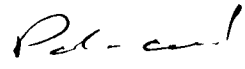
for **Sharad Jain Associates**
Chartered Accountants
FRN: 015201N


Rajat Jain
Partner
(M. No. 516618)





Balram Garg
Director
DIN-00032083



Padam Chand Gupta
Director
DIN-00032794

Place: New Delhi
Date: May 15, 2014

PC Universal Private Limited

Statement of profit and loss for the period ended March 31, 2014

Particulars	Notes	For the period ended March 31, 2014 (In rupees)
Revenue		
Other income		-
Total revenue		-
Expenses		
Other expenses	10	2,03,584
Total expenses		2,03,584
Profit before tax		-2,03,584
Tax expense		
Current Tax		-
Deferred tax		-
Profit for the year		-2,03,584
Earnings per equity share (₹)	11	
- Basic		-4.07
- Diluted		-4.07

Notes 1 to 16 form an integral part of these financial statements

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

For PC Universal Private Limited

for Sharad Jain Associates

Chartered Accountants

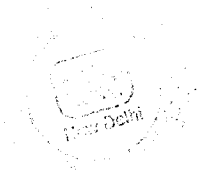
FRN: 015201N



Rajat Jain

Partner

(M. No. 516618)



Balram Garg
Director

DIN-00032083



Padam Chand Gupta
Director

DIN-00032794

Place: New Delhi

Date: May 15, 2014

PC Universal Private Limited
Cash Flow Statement for the period ended March 31, 2014

	As at March 31, 2014 <u>(In rupees)</u>
A. CASH FLOW FROM OPERATING ACTIVITIES	
Net profit before tax and prior period adjustments	-2,03,584
Adjustments for:	
Depreciation and amortisation	2,587
Operating profit before working capital changes	-2,00,997
Adjustments for:	
(Increase)/ Decrease in loan and advances	-28,425
Increase/ (Decrease) in current liabilities	13,236
Net cash (used in) from operating activities	-2,16,186
B. CASH FLOW FROM INVESTING ACTIVITIES	
Purchases of fixed assets including capital work in progress	-14,950
Fixed Deposit	-25,000
Net cash used in investing activities	-39,950
C. CASH FLOW FROM FINANCING ACTIVITIES	
Issue Of Share Capital	5,00,000
Net cash generated from financing activities	5,00,000
Net (decrease) in cash and cash equivalents (A+B+C)	2,43,864
Opening cash and cash equivalents	-
Closing cash and cash equivalents*	2,43,864
* Reconciliation of cash and cash equivalents	
Cash in hand	9,500
Bank Balances	2,34,364
	2,43,864

Notes 1 to 16 form an integral part of these financial statements
This is the Cash flow statement referred to in our report of even date.

For PC Universal Private Limited

for Sharad Jain Associates
Chartered Accountants
FRN: 015201N



Rajat Jain
Partner
(M. No. 516618)



Balram Garg
Director
DIN-00032083



Padam Chand Gupta
Director
DIN-00032794

Place: New Delhi
Date: May 15, 2014

PC Universal Private Limited

Notes to the financial statements for the period ended March 31, 2014

1. COMPANY OVERVIEW

PC Universal Private Limited (the Company) was incorporated on February 28, 2013 with the main objects of dealing in manufacturing and trading of gold jewellery, diamond studded jewellery and other related items. However the Company has not started any business as yet.

2. BASIS OF ACCOUNTING

The financial statements have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting standards) Rule 2006 issued by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 (the 'Act'). The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

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.

b) FIXED ASSETS

Fixed assets are stated at cost (gross block). The cost of fixed assets comprises its purchase price and any cost attributable to bringing the assets to its working condition and intended use.

c) DEPRECIATION

Depreciation on fixed assets is provided at rates specified in the Schedule XIV of the Companies Act, 1956 on written down method from the date on which the asset is put to use:

Description	Rates of depreciation
Furniture & Fixtures	18.10%

d) REVENUE RECOGNITION

During the period, no revenue has been recognised by the company in the financial statements.

e) VALUATION OF INVENTORIES

No inventory is being maintained by the company at the end of the period.

f) FOREIGN EXCHANGE TRANSACTIONS

The company has not entered into any foreign currency transactions during the period. There are no monetary assets of the company denominated in foreign currencies outstanding at the balance sheet date.



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g) EMPLOYEES BENEFIT

There are no employees on payroll of the company. Therefore, no employee benefit plans have been provided by the company.

h) TAXATION

Current tax is determined as the amount of tax payable in respect of taxable income for the period. The provision for current income-tax is recorded based on assessable income and the tax rate applicable to the relevant assessment year.

i) LEASES

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease rentals are expensed with reference to lease terms.

j) 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 profit and loss account. 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.

k) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

l) 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:

- possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company; or
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- present obligation, where a reliable estimate cannot be made.

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PC Universal Private Limited

Notes to the financial statements for the period ended March 31, 2014

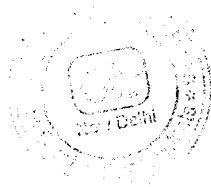
	As at March 31, 2014	
	Number	(In rupees)
3 Share capital		
Authorised share capital		
Equity shares of Rs 10 each	50,000	5,00,000
Issued, subscribed and fully paid up		
Equity shares of Rs 10 each	50,000	5,00,000
a) Reconciliation of equity share capital		
Balance at the beginning of the period	-	-
Add: share issued during the period	50,000	5,00,000
Balance at the end of the period	50,000	5,00,000
b) Shareholding structure		
Shares held by holding company, ultimate holding company, subsidiaries / associates of holding company or ultimate holding company		
Equity shares of Rs 10 each		
PC Jeweller Limited - Holding Company*	49,990	4,99,900
Balram Garg - Nominee PC Jeweller Ltd	10	100
	50,000	5,00,000
* 10 equity shares of Rs 10 each held by Mr. Balram Garg as nominee for PC Jeweller Limited.		
Shareholders holding more than 5% of the shares of the company		
Equity shares of Rs 10 each		
PC Jeweller Ltd	50,000	5,00,000
	50,000	5,00,000

- c) The Company has only one class of equity shares having a par value of Rs 10 each. Each holder of equity shares is entitled to one vote per share. 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 amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

	As at March 31, 2014 (In rupees)	
4 Reserves and surplus		
Deficit in the statement of profit and loss		
Balance at the beginning of the period		-
Add : transferred from statement of profit and loss		-2,03,584
Balance at the end of the period		-2,03,584

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5 Other current liabilities
Other accrued liabilities

13,236
13,236

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6 Tangible assets

Assets	Gross Block				Depreciation/ Amortization				Net Carrying Value
	Opening Balance	Additions	Disposals	Total At End of the Period	Opening Balance	Depreciation /Amortization For the Period	Other Adjustments	Total	As on 31.03.2014
Furniture & Fixtures	-	14,950	-	14,950	-	2,587	-	2,587	12,363
Total	-	14,950	-	14,950	-	2,587	-	2,587	12,363



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PC Universal Private Limited

Notes to the financial statements for the period ended March 31, 2014

	As at March 31, 2014	
	Long term	Short term
	(In rupees)	(In rupees)
7 Loans and advances		
(Unsecured, considered good)		
Security deposits	20,000	-
Other loans and advances	-	8,425
	<u>20,000</u>	<u>8,425</u>

	As at
	March 31, 2014
	(In rupees)
8 Other non-current assets	
Deposits with more than twelve months maturity	25,000
	<u>25,000</u>

	As at
	March 31, 2014
	(In rupees)
9 Cash and cash equivalents	
Cash in hand	9,500
Balances with banks in current accounts	2,34,364
	<u>2,43,864</u>

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PC Universal Private Limited

Notes to the financial statements for the period ended March 31, 2014

For the period ended
March 31, 2014

(In rupees)

10 Other expenses

Commission	10,000
Depreciation	2,587
Legal & Professional	17,642
Electricity Exp	2,270
Printing & Stationary Exp	2,415
Membership Fee	16,854
Bank Charges	656
Preliminary Expenses W/off	19,160
Rent	1,32,000
	2,03,584

11 Earning per share

a) Computation of profit for computing Net profit/(loss) for the year	(2,03,584)
b) Computation of weighted average number of shares	
Basic earnings per share	50,000
Diluted earnings per share	50,000
c) Nominal value of shares	10
d) Earning per share	
Basic earnings per share	(4.07)
Diluted earnings per share	(4.07)

12 Related party transactions

Related party disclosures, as required by Accounting Standard 18 - Related Party Disclosures, notified under the Companies Act, 1956 are given below:

(i) Holding Company (upto 31.03.2014)

: PC Jeweller Limited

(ii) Key management personnel

Mr. Padam Chand Gupta
Mr. Balram Garg

: Director

: Director



PC Universal Private Limited
Notes to the financial statements for the period ended March 31, 2014

(iii) Transactions with related parties during the period

Particulars	Holding Company	Key management personnel	Total
	March 31, 2014	March 31, 2014	March 31, 2014
Share Capital issued			
<i>PC Jeweller Ltd</i>	5,00,000	-	5,00,000
	5,00,000	-	5,00,000
Share Application money received			
<i>PC Jeweller Ltd</i>	5,00,000	1,00,000	6,00,000
<i>Mr. Bahram Garg</i>	5,00,000	-	5,00,000
<i>Mr. Padam Chand Gupta</i>	-	50,000	50,000
	-	50,000	50,000
Expense incurred on behalf of company			
<i>PC Jeweller Ltd</i>	19,160	-	19,160
	19,160	-	19,160
Expenses reimbursed			
<i>PC Jeweller Ltd</i>	19,160	-	19,160
	19,160	-	19,160
Share Application Money Repaid			
<i>Mr. Bahram Garg</i>	-	1,00,000	1,00,000
<i>Mr. Padam Chand Gupta</i>	-	50,000	50,000
	-	50,000	50,000
Balances at the end of the period			
Share Capital issued			
<i>PC Jeweller Ltd</i>	5,00,000	-	5,00,000
	5,00,000	-	5,00,000

Padam



PC Universal Private Limited

Notes to the financial statements for the period ended March 31, 2014

13 Segment reporting

As business in the company has not started in the period under consideration, there are no reportable segments.

14 Payments to auditors

As auditor

Statutory audit

Other Services

Service tax

**For the period ended
March 31, 2014**

(In rupees)

10,000

-

1,236

11,236

15 Realisibility of current assets/ adequacy of provisions

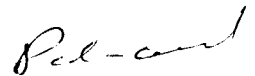
In the opinion of the Board, current assets, loans and advances are realizable at a value, which is at least equal to the amount at which these are stated, in the ordinary course of business and provision for all known and determined liabilities are adequate and not in excess of the amount stated.

16 The accounts of the company have been drawn for the period from the date of incorporation i.e. February 28, 2013 till March 31, 2014. These being the first accounts of the company, no corresponding figures for previous year have been given.

For PC Universal Private Limited



Balram Garg
Director
DIN-00032083



Padam Chand Gupta
Director
DIN-00032794

Place: New Delhi
Date: May 15, 2014

