



By Hand/ Registered Post/Fax

23rd March 2015

Ref: SEC/LEG/15/03/27

To: The Board of Directors,
Blue Diamonds Jewellery Worldwide PLC,
No. 49, Ring Road,
Phase 1, I.P.Z.,
Katunayake.

Directive issued in terms of Sections 12 (b) and 13 (cc) of the Securities and Exchange Commission of Sri Lanka Act No. 36 of 1987 (as amended)


The Securities and Exchange Commission of Sri Lanka (SEC) at its 353rd meeting held on 10th March 2015 deliberated on certain matters in relation to Blue Diamonds Jewellery Worldwide PLC (BDJW), and noted *inter alia* that the company has failed to comply with the following Listing Rules of the Colombo Stock Exchange in relation to corporate governance;

- a) the Board of Directors of BDJW does not consist of the required number of Independent Directors in terms of Rule 7.10.2 of the Listing Rules;
- b) the Remuneration Committee is not constituted in conformity with Rule 7.10.5; and
- c) the non constitution of the Audit Committee of BDJW as required by Rule 7.10.6.

Therefore, the Company BDJW is hereby directed to fully comply with the requirements imposed by the Rules 7.10.2, 7.10.5 & 7.10.6 of the Listing Rules of the CSE within fourteen days from the date hereof.

Failure to comply with this Directive will compel the Commission to take steps to limit BDJW's usage of the proceeds raised by the rights issue, announced in October 2014.

Kindly acknowledge receipt of this Directive in respect of compliance.


Dhammika Perera
Officer-in-Charge/Deputy Director General
AA/NU

Copy:

Mr. Rajeeva Bandaranaike, Chief Executive Officer, Colombo Stock Exchange, Level 04, World Trade Centre, Colombo 01.
to release to the market