

FORD, RHODES, PARKS & CO.
CHARTERED ACCOUNTANTS

SAI COMMERCIAL BUILDING
312 / 313, 3RD FLOOR
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Auditor's Report On Year to date Standalone Financial Results of the Company Pursuant to
Clause 41 of the Listing Agreement

To

Board of Directors of Gitanjali Gems Limited

We have audited the quarterly financial results of Gitanjali Gems Limited for the quarter ended March 31, 2014 and the year to date results for the period April 1, 2013 to March 31, 2014 attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.


We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results and year to date financial results:

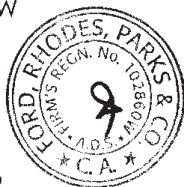
- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended March 31, 2014 and year to date results for the year from April 1, 2013 to March 31, 2014.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For Ford, Rhodes, Parks & Co.
Chartered Accountants
Firm Registration No. 102860W



A.D. Shenoy
Partner
Membership Number : 11549
Mumbai
Date : May 30, 2014



GITANJALI

Audited standalone financial results for the year ended 31st March, 2014 Profit & Loss statement

Particulars	Quarter ended			Year ended	
	31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013
	Unaudited	Unaudited	Unaudited	Audited	Audited
(Rs. in Lacs)					
PART - I					
1 Income from Operations					
(a) Net Sales / Income from Operations	115,830.27	126,454.77	365,621.28	734,303.46	1,038,066.51
(b) Other operating income	-	-	-	-	-
Total Income from operations (net)	115,830.27	126,454.77	365,621.28	734,303.46	1,038,066.51
2 Expenses					
a) Cost of materials consumed / Purchase of stock-in-trade	125,068.96	54,825.36	369,960.62	611,000.07	958,854.04
b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(20,129.65)	54,342.09	(35,025.66)	47,284.16	(13,411.49)
c) Employee benefits expense	406.68	503.86	573.79	2,026.06	2,385.60
d) Depreciation & amortisation expense	119.44	120.35	225.91	476.14	487.85
e) Other expenses	2,635.01	4,168.31	18,436.88	34,360.69	41,319.76
Total Expenses	108,100.44	113,959.97	354,171.54	695,147.12	989,635.76
3 Profit from Operations before other income, finance costs and exceptional items (1-2)	7,729.83	12,494.80	11,449.74	39,156.34	48,430.75
4 Other income	5.00	-	-	5.00	1,912.26
5 Profit from Ordinary activities before finance costs and exceptional items (3+4)	7,734.83	12,494.80	11,449.74	39,161.34	50,343.01
6 Finance costs					
Interest cost	10,631.85	11,944.84	6,005.65	39,592.40	20,241.06
Others	645.82	300.74	1,068.90	1,826.16	3,632.51
7 Profit from Ordinary activities after finance costs but before exceptional items (5-6)	(3,542.84)	249.22	4,375.19	(2,257.22)	26,469.44
8 Exceptional items	(137.37)	-	9.77	(137.37)	9.77
9 Profit from ordinary activities before tax (7+8)	(3,680.21)	249.22	4,384.96	(2,394.59)	26,479.21
10 Tax expense					
- Income Tax	(260.00)	50.00	768.20	-	5,188.20
- MAT	260.00	(50.00)	(880.00)	-	(5,300.00)
- Deferred Tax	(183.46)	17.23	58.93	(129.38)	74.85
11 Net Profit from ordinary activities after tax (9-10)	(3,496.75)	231.99	4,437.83	(2,265.21)	26,516.16
12 Extraordinary items (net of tax expense)	-	-	-	-	-
13 Net Profit for the period (11-12)	(3,496.75)	231.99	4,437.83	(2,265.21)	26,516.16
14 Paid-up equity share capital	9,206.55	9,206.55	9,206.55	9,206.55	9,206.55
Face value of the share	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-
15 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				272,173.17	271,207.01
16 Earnings per share (before extraordinary items)					
a) Basic	(3.80)	0.25	4.84	(2.46)	28.90
b) Diluted	(3.55)	0.23	4.81	(2.30)	28.77
17 Earnings per share (after extraordinary items)					
a) Basic	(3.80)	0.25	4.84	(2.46)	28.90
b) Diluted	(3.55)	0.23	4.81	(2.30)	28.77
PART - II					
A PARTICULARS OF SHAREHOLDING					
1 Public Shareholding					
- Number of shares	56,605,756	56,371,016	37,341,375	56,605,756	37,341,375
- Percentage of shareholding	61.48	61.23	40.56	61.48	40.56
2 Promoters and Promoter Group Shareholding					
a) Pledged / Encumbered					
- Number of shares	7,038,275	7,273,015	19,130,530	7,038,275	19,130,530
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	19.85	20.38	34.96	19.85	34.96
- Percentage of shares (as a % of the total share capital of the company)	7.64	7.90	20.78	7.64	20.78
b) Non - encumbered					
- Number of shares	28,421,460	28,421,460	35,593,586	28,421,460	35,593,586
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	80.15	79.62	65.04	80.15	65.04
- Percentage of shares (as a % of the total share capital of the company)	30.87	30.87	38.66	30.87	38.66
B INVESTOR COMPLAINTS (during the quarter)					
Number of complaints	Opening	Additions	Disposals	Closing	
	0	17	17	0	

Gitanjali Gems Limited

Registered Office: A-1, 7th Floor, Laxmi Towers, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051, India

T: 022 40354600 / 01 F: 40354602 • www.gitanjaligroup.com

CIN No - L36911MH1986PLC040689

GITANJALI

Standalone segmentwise reporting revenue, results and capital employed

A) Primary Segment (By Business Segment)

Particulars	Quarter ended			Year ended	
	31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013
	Unaudited	Unaudited	Unaudited	Audited	Audited
1. Segment Revenue					
a) Segment - Diamond	85,771.98	77,029.22	119,594.85	468,602.28	446,969.89
b) Segment - Jewellery	32,697.27	50,036.43	246,997.15	270,511.91	596,425.98
Total	118,469.25	127,065.65	366,592.00	739,114.19	1,043,395.87
Less: Inter Segment Revenue	2,638.98	610.88	970.72	4,810.73	5,329.36
Net Sales / Income from Operations	115,830.27	126,454.77	365,621.28	734,303.46	1,038,066.51
2. Segment Results					
Profit / (Loss) before tax and interest from each segment					
a) Segment - Diamond	4,612.42	5,455.07	1,599.00	23,719.89	10,748.03
b) Segment - Jewellery	3,122.41	7,039.73	9,850.74	15,441.45	39,594.98
Total	7,734.83	12,494.80	11,449.74	39,161.34	50,343.01
Less					
Finance cost	11,277.67	12,245.58	7,074.55	41,418.56	23,873.57
Total profit before exceptional item & tax	(3,542.84)	249.22	4,375.19	(2,257.22)	26,469.44
3. Capital Employed					
a) Segment - Diamond	75,573.70	63,990.92	42,290.76	75,573.70	42,290.76
b) Segment - Jewellery	77,483.94	79,625.96	74,848.48	77,483.94	74,848.48
c) Unallocated net assets	128,322.08	141,259.58	163,274.32	128,322.08	163,274.32
Total	281,379.72	284,876.46	280,413.56	281,379.72	280,413.56

B) Secondary Segment (By Geographical Segment)

Particulars	Quarter ended			Year ended	
	31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013
	Unaudited	Unaudited	Unaudited	Audited	Audited
Segment Revenue					
India	78,551.88	32,287.34	270,356.53	372,317.61	722,650.33
Rest of the world	37,278.39	94,167.43	95,264.75	361,985.85	315,416.18
Total Revenue	115,830.27	126,454.77	365,621.28	734,303.46	1,038,066.51

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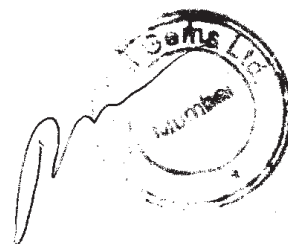
CIN No - L36911MH1986PLC040689

GITANJALI

Statement of Assets and Liabilities

(Rs. in Lacs)

Particulars	Standalone		Consolidated	
	As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	9,206.55	9,206.55	9,206.55	9,206.55
(b) Reserves and surplus	272,173.17	271,207.01	385,212.98	367,645.52
(c) Money received against share warrants	-	-	-	-
Sub-total - Shareholders' funds	281,379.72	280,413.56	394,419.53	376,852.07
2 Minority interest	-	-	6,096.44	6,402.59
3 Non- current liabilities				
(a) Long-term borrowings	63,717.87	62,141.87	74,269.37	62,141.87
(b) Deferred tax liabilities (net)	63.66	193.04	-	-
(c) Other long-term liabilities	-	481.24	10,103.29	6,651.84
(d) Long-term provisions	275.87	330.35	1,380.00	1,291.65
Sub-total - Non-current liabilities	64,057.40	63,146.50	85,752.66	70,085.36
4 Current liabilities				
(a) Short-term borrowings	421,513.38	246,017.43	763,200.57	461,744.09
(b) Trade payables	66,372.81	266,621.87	166,019.35	433,819.03
(c) Other current liabilities	25,860.63	29,431.99	50,680.46	35,343.01
(d) Short-term provisions	56.20	3,266.75	3,258.51	7,623.29
Sub-total - Current liabilities	513,803.02	545,338.04	983,158.89	938,529.42
TOTAL - EQUITY AND LIABILITIES	859,240.14	888,898.10	1,469,427.52	1,391,869.44
B ASSETS				
1 Non-current assets				
(a) Fixed assets	3,050.42	3,908.78	31,788.23	30,385.47
(b) Goodwill on consolidation	-	-	9,002.40	6,734.46
(c) Non-current investments	141,479.57	160,516.94	8,590.00	10,228.67
(d) Deferred tax assets (net)	-	-	1,943.44	1,438.17
(e) Long-term loans and advances	17,503.36	15,983.57	23,835.52	38,644.57
(f) Other non-current assets	11,270.06	12,482.65	16,091.81	16,531.36
Sub-total - Non-current assets	173,303.41	192,891.94	91,251.40	103,962.70
2 Current assets				
(a) Current investments	-	-	-	-
(b) Inventories	101,674.71	148,958.87	350,301.31	434,733.92
(c) Trade receivables	524,586.26	406,443.77	948,403.35	718,918.01
(d) Cash and cash equivalents	13,049.30	55,077.07	35,542.99	97,034.03
(e) Short-term loans and advances	46,626.46	85,526.45	40,691.92	36,714.40
(f) Other current assets	-	-	3,236.55	506.38
Sub-total - Current assets	685,936.73	696,006.16	1,378,176.12	1,287,906.74
TOTAL - ASSETS	859,240.14	888,898.10	1,469,427.52	1,391,869.44



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Gitanjali Gems Limited

Notes:

1. The above audited financial results for the year ended March 31, 2014 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 30, 2014.
2. The Company has identified two major reportable segments: Diamond business and Jewellery business.
3. The Company has opted to publish consolidated financial results from the financial year 2013-14. Standalone financial results are available at the website of the Company: www.gitanjaligroup.com, stock exchanges: www.bseindia.com and www.nseindia.com.
4. Except for the 12 month period, EPS is not annualized.
5. Previous period figures have been regrouped/rearranged, wherever necessary to conform to the current period's classification.

For Gitanjali Gems Limited



Mehul C. Choksi
Chairman & Managing Director

Place: Mumbai
Date: May 30, 2014