

**FORD, RHODES, PARKS & CO.**  
CHARTERED ACCOUNTANTS

SAI COMMERCIAL BUILDING  
312/313, 3RD FLOOR  
BKS DEVSHI MARG  
GOVANDI (EAST)  
MUMBAI-400 088

TELEPHONE : (91) 22 67979819  
              : (91) 22 67979823  
FAX          : (91) 22 67979822  
EMAIL       : frptax@vsnl.com

Auditor's Report On Year to Date Consolidated Results of the Company Pursuant to Clause 41  
of the Listing Agreement

To

Board of Directors of Gitanjali Gems Limited

We have audited consolidated quarterly financial results of Gitanjali Gems Limited for the quarter ended March 31, 2014 and the consolidated Year to date financial 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 consolidated Quarterly financial results and consolidated Year to date financial results have been prepared from consolidated interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated 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.

We did not audit the financial statements of 11 (Eleven) Subsidiaries included in the consolidated year to date financial results, whose consolidated interim financial statements reflect total assets of Rs 324,119.04 lacs as at March 31, 2014; as well as the total revenue from sales of Rs 352,368.63 lacs for the year April 1, 2013 to March 31, 2014. These interim financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the Year to date financial results, to the extent they have been derived from such interim financial statements is based solely on the report of such other auditors.

We have relied on the unaudited financial statements of 10 (Ten) subsidiaries, included in the consolidated year to date financial results, whose consolidated interim financial statements reflect total assets of Rs 134,840.17 lacs as at March 31, 2014, as well as the total revenue from sales of Rs 76,313.88 lacs for the year April 1, 2013 to March 31, 2014. These interim financial statements and other financial information as approved by the Board of Directors, have been furnished to us by the Management, and our opinion on the Year to date financial results, to the extent they have been derived from such interim financial statements is based solely on such approved unaudited financial statements.



**FORD, RHODES, PARKS & CO.**

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

- (i) include the financial results of the entities (Annexure - 1),
- (ii) have been presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (iii) give a true and fair view of the consolidated net profit and other financial information for the 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 consolidated number of shares as well as percentage of shareholdings in respect of aggregate amount of consolidated 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

**FORD, RHODES, PARKS & CO.**

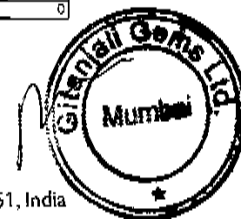
<b>Annexure - 1</b>		
<b>S. N.</b>	<b>Company Name</b>	<b>Relationship (Direct &amp; Indirect)</b>
1	Gitanjali Exports Corporation Limited	Subsidiary company
2	eGitanjali Limited	Subsidiary company
3	Gitanjali Capital Private Limited	Subsidiary company
4	Gitanjali Infratech Limited	Subsidiary company
5	Hyderabad Gems SEZ Limited	Subsidiary company
6	Nashik Multi Services SEZ Limited	Subsidiary company
7	Eureka Finstock Private Limited	Subsidiary company
8	N&J Finstocks Private Limited	Subsidiary company
9	Decent Securities & Finance Private Limited	Subsidiary company
10	Gitanjali Jewellery Retail Limited	Subsidiary company
11	Decent Investment & Finance Private Limited	Subsidiary company
12	MMTC Gitanjali Limited	Subsidiary company
13	Gitanjali Lifestyle Limited	Subsidiary company
14	Maya Retail Limited	Subsidiary company
15	Mobile Nxt Teleservices Private Limited	Subsidiary company
16	Gitanjali Brands Limited	Subsidiary company
17	Nakshatra Brands Limited (Formerly Known as Brightest Circle Jewellery Limited)	Subsidiary company
18	D'Damas Jewellery (India) Private Limited	Subsidiary company
19	Gili India Limited	Subsidiary company
20	Asmi Jewellery India Limited	Subsidiary company
21	Spectrum Jewellery Limited	Subsidiary company
22	Aston Luxury Group Ltd	Subsidiary company
23	Crown Aim Limited	Subsidiary company
24	Leading Jewels of Japan KK	Subsidiary company
25	Leading Italian Jewels SRL	Subsidiary company
26	Alfred Terry Limited (Formerly Known as Alfred Terry Holding Limited)	Subsidiary company
27	Gitanjali Resources BVBA	Subsidiary company
28	Leading Italian Jewels (Singapore) PTE. Limited	Subsidiary company
29	Samuels Jewelers Inc.	Subsidiary company
30	Gitanjali USA, Inc.	Subsidiary company
31	Diamlink Inc & Subsidiaries	Subsidiary company
32	Tristar Worldwide LLC	Subsidiary company
33	GGL Diamond LLC	Subsidiary company
34	Gitanjali Ventures DMCC	Subsidiary company
35	Abbeycrest Thailand	Subsidiary company
36	Gianti Jewellery (Shanghai) Co Ltd	Subsidiary company
37	Tianxin Diamonds (Shanghai) Co Ltd	Subsidiary company



# GITANJALI

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

Particulars	(Rs. in Lacs)				
	Quarter ended			Year ended	
	31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013
	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>PART - I</b>					
<b>1 Income from Operations</b>					
(a) Net Sales / Income from Operations	275,350.43	275,960.99	475,053.14	1,243,600.03	1,641,849.63
(b) Other operating income	-	-	-	-	-
<b>Total income from operations (net)</b>	<b>275,350.43</b>	<b>275,960.99</b>	<b>475,053.14</b>	<b>1,243,600.03</b>	<b>1,641,849.63</b>
<b>2 Expenses</b>					
a) Cost of materials consumed / Purchase of stock-in-trade	260,029.01	125,923.20	472,078.20	952,568.80	1,472,455.25
b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(19,292.66)	98,027.92	(67,707.44)	94,475.84	(60,822.66)
c) Employee benefits expense	5,434.78	6,223.41	7,529.11	27,133.10	29,855.14
d) Depreciation & amortisation expense	1,458.57	830.00	1,470.02	3,827.33	3,665.66
e) Other expenses	18,926.15	18,223.61	35,991.81	99,022.88	95,568.62
<b>Total Expenses</b>	<b>266,555.85</b>	<b>249,228.14</b>	<b>449,361.70</b>	<b>1,477,027.95</b>	<b>1,540,732.01</b>
<b>3 Profit from Operations before other income, finance costs and exceptional items (1-2)</b>	<b>8,794.58</b>	<b>26,732.85</b>	<b>25,691.44</b>	<b>66,572.08</b>	<b>101,117.62</b>
<b>4 Other income</b>	1,184.38	(0.00)	-	10,754.82	7,081.23
<b>5 Profit from Ordinary activities before finance costs and exceptional items (3+4)</b>	<b>9,978.96</b>	<b>26,732.85</b>	<b>25,691.44</b>	<b>77,326.90</b>	<b>108,198.85</b>
<b>6 Finance costs</b>					
Interest cost	19,458.30	21,387.98	12,383.62	70,491.26	39,305.93
Others	363.19	611.82	864.82	3,140.20	6,826.06
<b>7 Profit from Ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>(9,842.52)</b>	<b>4,733.05</b>	<b>12,443.00</b>	<b>3,695.44</b>	<b>62,066.86</b>
<b>8 Exceptional items</b>	(73.47)	-	9.77	(73.47)	9.77
<b>9 Profit from ordinary activities before tax (7+8)</b>	<b>(9,916.00)</b>	<b>4,733.05</b>	<b>12,452.77</b>	<b>3,621.97</b>	<b>62,076.63</b>
<b>10 Tax expense</b>					
- Income Tax	(1,114.45)	358.85	2,219.37	769.37	10,408.77
- MAT	749.31	(698.72)	(1,509.74)	(374.60)	(8,042.79)
- Deferred Tax	(421.13)	17.49	165.61	(367.10)	187.97
<b>11 Net Profit from ordinary activities after tax (9-10)</b>	<b>(9,129.74)</b>	<b>5,055.43</b>	<b>11,577.53</b>	<b>3,594.30</b>	<b>59,522.68</b>
<b>12 Extraordinary items (net of tax expense)</b>	-	-	-	-	-
<b>13 Net Profit for the period (11-12)</b>	<b>(9,129.74)</b>	<b>5,055.43</b>	<b>11,577.53</b>	<b>3,594.30</b>	<b>59,522.68</b>
<b>14 Share of profit / (Loss) of associates</b>	-	-	-	-	-
<b>15 Minority interest</b>	(140.66)	9.36	(310.83)	242.10	353.35
<b>16 Net Profit after taxes, minority interest and share of profit / (Loss) of associates (13+14-15)</b>	<b>(8,989.08)</b>	<b>5,046.07</b>	<b>11,888.36</b>	<b>3,352.20</b>	<b>59,169.33</b>
<b>17 Paid-up equity share capital</b>					
Face value of the share	9,206.55 Rs. 10/-	9,206.55 Rs. 10/-	9,206.55 Rs. 10/-	9,206.55 Rs. 10/-	9,206.55 Rs. 10/-
<b>18 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year</b>	-	-	-	385,212.98	367,645.52
<b>19 Earnings per share (before extraordinary items)</b>					
a) Basic	(9.76)	5.48	12.96	3.64	64.50
b) Diluted	(9.12)	5.10	12.90	3.40	64.20
<b>20 Earnings per share (after extraordinary items)</b>					
a) Basic	(9.76)	5.48	12.96	3.64	64.50
b) Diluted	(9.12)	5.10	12.90	3.40	64.20
<b>PART - II</b>					
<b>A PARTICULARS OF SHAREHOLDING</b>					
<b>1 Public Shareholding</b>					
- 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
<b>2 Promoters and Promoter Group Shareholding</b>					
<b>a) Pledged / Encumbered</b>					
- 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>b) Non - encumbered</b>					
- 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>B INVESTOR COMPLAINTS (during the quarter)</b>					
Number of complaints	Opening	Additions	Disposals	Closing	0
	0	17	17	0	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

## Consolidated 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
(Rs. in Lacs)					
1. Segment Revenue					
a) Segment - Diamond	125,762.54	137,205.51	166,837.81	719,157.92	688,512.83
b) Segment - Jewellery	154,805.53	162,085.89	331,191.30	652,043.27	1,016,554.35
c) Segment - Others	2,959.97	1,370.25	1,234.85	7,363.32	4,130.82
Total	283,528.04	300,661.65	499,263.96	1,378,564.52	1,709,198.00
Less: Inter Segment Revenue	8,177.62	24,700.66	24,210.82	134,964.49	67,348.37
<b>Net Sales / Income from Operations</b>	<b>275,350.43</b>	<b>275,960.99</b>	<b>475,053.14</b>	<b>1,243,600.03</b>	<b>1,641,849.63</b>
2. Segment Results					
Profit / (Loss) before tax and interest from each segment					
a) Segment - Diamond	6,087.18	8,108.19	4,243.81	34,668.58	26,879.05
b) Segment - Jewellery	5,183.89	18,846.82	22,215.00	44,769.79	82,775.13
c) Segment - Others	(1,292.11)	(222.16)	(767.37)	(2,111.47)	(1,455.33)
Total	9,978.96	26,732.85	25,691.44	77,326.90	108,198.85
Less					
Finance cost	19,821.48	21,999.80	13,248.44	73,631.45	46,131.99
<b>Total profit before exceptional item &amp; tax</b>	<b>(9,842.52)</b>	<b>4,733.05</b>	<b>12,443.00</b>	<b>3,695.45</b>	<b>62,066.86</b>
3. Capital Employed					
a) Segment - Diamond	156,835.98	135,522.15	117,686.54	156,835.98	117,686.54
b) Segment - Jewellery	228,642.04	247,726.00	216,557.44	228,642.04	216,557.44
c) Unallocated net assets	8,941.50	25,198.32	42,608.09	8,941.50	42,608.09
<b>Total</b>	<b>394,419.53</b>	<b>408,446.47</b>	<b>376,852.07</b>	<b>394,419.53</b>	<b>376,852.07</b>

### 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	141,791.17	68,142.66	293,584.08	510,548.89	959,876.69
Rest of the world	133,559.26	207,818.33	181,469.06	733,051.14	681,972.94
<b>Total Revenue</b>	<b>275,350.43</b>	<b>275,960.99</b>	<b>475,053.14</b>	<b>1,243,600.03</b>	<b>1,641,849.63</b>



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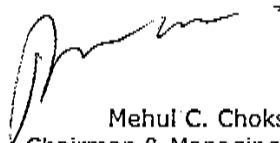
CIN No - L36911MH1986PLC040689

## 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](http://www.gitanjaligroup.com), stock exchanges: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://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