

GITANJALI

Audited Financial Results for the Year Ended 31.03.2008

(Rs. in Lacs)

Particulars	Unaudited Quarter Ended March 31,	Unaudited Quarter Ended March 31,	Unaudited Nine Months Ended December 31,	Audited for the Year ended March 31,	Audited for the Year ended March 31,
	2008	2007	2007	2008	2007
1 Net Sales/Income from Operations	82,687.75	67,303.68	182,745.17	265,432.92	221,926.23
2 Other Income	16.43	95.24	33.10	49.53	143.46
3 Total Income (1+2)	82,704.18	67,398.92	182,778.27	265,482.45	222,069.69
4 Expenditure					
a) (Increase)/decrease in stock in trade and work in progress	(18,666.07)	(1,531.49)	5,035.28	(13,630.79)	(21,353.50)
b) Consumption of raw material / Purchase of traded goods	93,394.70	65,138.43	162,861.72	256,256.42	227,915.36
c) Employees Cost	462.17	241.65	714.57	1,176.74	748.82
d) Depreciation	147.20	55.86	195.35	342.55	199.18
e) Other expenditure	2,503.61	1,060.80	2,187.35	4,690.96	2,737.79
f) Total	77,841.61	64,965.25	170,994.27	248,835.88	210,247.65
5 Interest (net)	(26.33)	927.13	1,805.55	1,779.22	2,657.24
6 Exceptional items	-	-	-	-	-
7 Profit (+)/ Loss (-) from Ordinary Activities before tax [(3) - (4+5+6)]	4,888.90	1,506.54	9,978.45	14,867.35	9,164.80
8 Tax expense					
- Provision for Income Tax	50.00	75.00	975.00	1,025.00	910.00
- Provision for Deferred Tax	(1.59)	55.25	12.71	11.12	55.25
- Provision for Fringe Benefit Tax	8.78	4.56	7.09	15.87	9.58
9 Net Profit (+)/ Loss (-) From Ordinary Activities after tax (7-8)	4,831.71	1,371.73	8,983.65	13,815.36	8,189.97
10 Paid-up equity share capital Face Value of the share	8,506.29 Rs. 10/-	5,899.85 Rs. 10/-	8,481.82 Rs. 10/-	8,506.29 Rs. 10/-	5,899.85 Rs. 10/-
11 Reserves excluding Revaluation Reserves as per Balance sheet of previous accounting year				169,769.98	69,994.42
12 Earnings per Share (EPS)					
a) Basic EPS for the period, for the year to date and for the previous year	5.69	2.32	14.49	20.48	13.88
b) Diluted EPS for the period, for the year to date and for the previous year	4.76	2.09	11.27	16.27	12.63
13 Public Shareholding					
- Number of shares	36,696,302	21,869,087	27,288,777	36,696,302	21,869,087
- Percentage of shareholding	43.14	37.07	32.17	43.14	37.07



Gitanjali Gems Limited

Corporate Office : B/6, 1st Floor, Laxmi Tower, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051. India
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GITANJALI

Segmentwise Reporting Revenue, Results and Capital Employed

A) Primary Segment (By Business Segment)

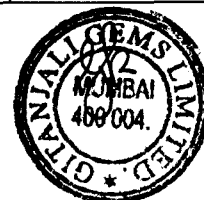
(Rs. in Lacs)

Particulars	Unaudited Quarter Ended March 31,	Unaudited Quarter Ended March 31,	Unaudited Nine Months Ended December 31,	Audited for the Year ended March 31,	Audited for the Year ended March 31,
	2008	2007	2007	2008	2007
1. Segment Revenue					
a) Segment - Diamond	54,112.17	47,786.84	122,971.99	177,084.16	158,680.20
b) Segment - Jewellery	29,772.98	20,065.53	64,519.91	94,292.89	66,392.93
Total	83,885.15	67,852.37	187,491.90	271,377.05	225,073.13
Less: Inter Segment Revenue	1,197.40	548.69	4,746.73	5,944.13	3,146.90
Net Sales / Income from Operations	82,687.75	67,303.68	182,745.17	265,432.92	221,926.23
2. Segment Results					
Profit / (Loss) before tax and interest from each segment					
a) Segment - Diamond	1,746.95	1,086.44	4,859.81	6,606.76	5,168.96
b) Segment - Jewellery	4,080.83	1,347.23	6,924.19	11,005.02	6,653.08
Total	5,827.78	2,433.67	11,784.00	17,611.78	11,822.04
Less					
(i) Interest	(26.33)	927.13	1,805.55	1,779.22	2,657.24
(ii) Other Unallocable expenses	965.21	-	-	965.21	-
Total Profit Before Tax	4,888.90	1,506.54	9,978.45	14,867.35	9,164.80
3. Capital Employed					
a) Segment - Diamond	54,075.71	33,021.70	37,986.16	54,075.71	33,021.70
b) Segment - Jewellery	19,258.91	13,034.92	17,231.94	19,258.91	13,034.92
c) Unallocated net assets	108,061.66	34,344.39	118,786.28	108,061.66	34,344.39
Total	181,396.28	80,401.01	174,004.38	181,396.28	80,401.01

B) Secondary Segment (By Geographical Segment)

Segment Revenue

Particulars	Unaudited Quarter Ended March 31,	Unaudited Quarter Ended March 31,	Unaudited Nine Months Ended December 31,	Audited for the Year ended March 31,	Audited for the Year ended March 31,
	2008	2007	2007	2008	2007
India	35,315.62	24,438.56	85,057.42	120,373.04	92,460.42
Rest of the world	47,372.13	42,865.12	97,687.75	145,059.88	129,465.81
Total Revenue	82,687.75	67,303.68	182,745.17	265,432.92	221,926.23



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GITANJALI

Audited Consolidated Financial Results for Year Ended 31.03.2008

(Rs. in Lacs)

Particulars	Unaudited Quarter Ended March 31,	Unaudited Quarter Ended March 31,	Unaudited Nine Months Ended December 31,	Audited for the Year ended March 31,	Audited for the Year ended March 31,
	2008	2007	2007	2008	2007
1 Net Sales/Income from Operations	148,476.65	125,776.62	334,328.34	482,804.99	346,744.35
2 Other Income	75.79	250.13	800.17	875.96	408.28
3 Total Income (1+2)	148,552.44	126,026.75	335,128.51	483,680.95	347,152.63
4 Expenditure					
a) (Increase)/decrease in stock in trade and work in progress	(14,720.07)	3,767.72	(6,862.29)	(21,582.36)	(34,979.59)
b) Consumption of raw material / Purchase of traded goods	137,601.98	110,840.97	300,730.55	438,332.53	352,040.44
c) Employees Cost	5,371.55	2,371.45	9,828.01	15,199.56	3,702.21
d) Depreciation	778.72	440.78	1,230.98	2,009.70	703.68
e) Other expenditure	14,748.80	4,657.33	10,988.64	25,737.44	9,196.00
f) Total	143,780.98	122,078.25	315,915.89	459,696.87	330,662.74
5 Interest (net)	233.23	1,751.12	4,251.01	4,484.24	4,964.10
6 Exceptional items	-	-	-	-	-
7 Profit (+)/ Loss (-) from Ordinary Activities before tax [(3) - (4+5+6)]	4,538.23	2,197.38	14,961.61	19,499.84	11,525.79
8 Tax expense					
- Provision for Income Tax	414.63	311.58	1,629.57	2,044.20	1,358.65
- Provision for Deferred Tax	(28.93)	64.57	14.77	(14.16)	35.47
- Provision for Fringe Benefit Tax	58.92	4.51	37.02	95.94	40.09
9 Net Profit (+)/ Loss (-) From Ordinary Activities after tax (7-8)	4,093.61	1,816.72	13,280.25	17,373.86	10,091.58
10 a) Minority Interest	(762.50)	(429.83)	(668.40)	(1,430.90)	(978.74)
b) Share of Associate companies	0.00	(54.51)	126.35	126.35	62.25
11 Net Profit (+)/loss(-) for the Period (9-10)	3,331.11	1,332.39	12,738.20	16,069.31	9,175.09
12 Paid-up equity share capital	8,506.29	5,899.85	8,481.82	8,506.29	5,899.85
Face Value of the share	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-
13 Reserves excluding Revaluation Reserves as per Balance sheet of previous accounting year				176,833.82	76,862.24
14 Earnings per Share (EPS)					
a) Basic EPS for the period, for the year to date and for the previous year	3.92	2.26	20.55	23.82	15.55
b) Diluted EPS for the period, for the year to date and for the previous year	3.28	2.03	15.98	18.93	14.13
15 Public Shareholding					
Number of shares	36,696,302	21,869,087	27,288,777	36,696,302	21,869,087
Percentage of shareholding	43.14	37.07	32.17	43.14	37.07

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Consolidated Segmentwise Reporting Revenue, Results and Capital Employed

A) Primary Segment (By Business Segment)

(Rs. in Lacs)

Particulars	Unaudited Quarter Ended March 31,	Unaudited Quarter Ended March 31,	Unaudited Nine Months Ended December 31,	Audited for the Year ended March 31,	Audited for the Year ended March 31,
	2008	2007	2007	2008	2007
1. Segment Revenue					
a) Segment - Diamond	79,969.15	76,443.88	192,565.63	272,534.78	238,329.71
b) Segment - Jewellery	69,192.12	49,881.43	147,022.23	216,214.35	111,561.54
Total	149,161.27	126,325.31	339,587.86	488,749.13	349,891.25
Less: Inter Segment Revenue	684.62	548.69	5,259.52	5,944.14	3,146.90
Net Sales / Income from Operations	148,476.65	125,776.62	334,328.34	482,804.99	346,744.35
2. Segment Results					
Profit / (Loss) before tax and interest from each segment					
a) Segment - Diamond	2,459.00	1,904.49	6,738.82	9,197.82	7,083.95
b) Segment - Jewellery	3,112.08	1,521.67	11,725.27	14,837.35	8,444.90
c) Others	(596.91)	38.01	206.48	(390.43)	44.55
Total	4,974.17	3,464.17	18,670.57	23,644.74	15,573.40
Less					
Interest	233.23	1,751.12	4,251.01	4,484.24	4,964.10
Other Un allocable expenses	965.21	-	-	965.21	-
Total Profit Before Tax	3,775.73	1,713.05	14,419.56	18,195.29	10,609.30
3. Capital Employed					
a) Segment - Diamond	74,472.80	47,003.71	52,173.59	74,472.80	47,003.71
b) Segment - Jewellery	64,494.27	23,571.82	43,445.91	64,494.27	23,571.82
c) Unallocated net assets	49,490.63	14,276.24	89,503.89	49,490.63	14,276.24
Total	188,457.70	84,851.77	185,123.39	188,457.70	84,851.77

B) Secondary Segment (By Geographical Segment)

Segment Revenue

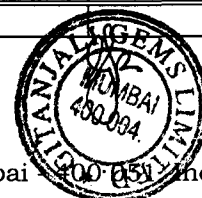
(Rs in Lacs)

Particulars	Unaudited Quarter Ended March 31,	Unaudited Quarter Ended March 31,	Unaudited Nine Months Ended December 31,	Audited for the Year ended March 31,	Audited for the Year ended March 31,
	2008	2007	2007	2008	2007
India	60,106.51	75,565.38	128,893.93	189,000.44	143,218.40
Rest of the world	88,370.14	50,211.24	205,434.41	293,804.55	203,525.95
Total Revenue	148,476.65	125,776.62	334,328.34	482,804.99	346,744.35

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Notes:-

1. The above Financial Results have been reviewed and recommended by Audit committee and approved by the Board of Directors in their meeting held on June 30, 2008.
2. The Board of Directors has recommended a dividend of Rs. 1.80 per share. This is subject to approval by shareholders in the ensuing Annual General Meeting.
3. Investors' complaints received and disposed off during the quarter ended March 31st, 2008 are as follows;

Complaints pending at the beginning of the quarter	0
Complaints received during the quarter	9
Disposal of complaints	9
Unresolved complaints at the end of the quarter	0

4. The company has identified two major reportable segments - viz. Diamond business and Jewellery business.
5. Out of the balance IPO issue proceeds of Rs.140.00 crores as on March 31st, 2007, the company further utilized the proceeds as under :

(Rs. in crores)	
Utilised towards investment in Subsidiaries, Joint Ventures & Associates	24.00
Utilised towards working capital requirement	10.00
Towards investment in setting up a diamond manufacturing facility in SEZ Hyderabad	1.00
Balance Issue Proceeds **	105.00

** Pending utilization as at March 31st, 2008, the balance issue proceeds of Rs.105.00 crores have been invested temporarily in Fixed Deposits with banks.

6. Out of the balance FCCB proceeds of USD 40.38 million as on March 31st, 2007, the company further utilized towards its objects - overseas acquisitions and infrastructure activities including development of Special Economic Zones and as on March 31st 2008, the company had a balance of USD 5.75 million lying in banks pending utilization.

During the year FCCBs of USD 36.14 million were converted into equity shares. Accordingly 5,896,067 equity shares of face value of Rs.10/- each at a predetermined price of Rs.275/- per share have been issued to the respective bondholders.

7. The Company raised US\$ 180.00 million through the issue of 18.61 million Global Depository Receipts (GDRs) at an issue price of USD 9.67 (approx. Rs. 380/-) per GDR on December 14, 2007 against the issue of underlying 18,614,271 equity shares of Rs. 10/- each to the depository. From the net proceeds of USD 175.55 million, the company utilized towards investment in overseas subsidiaries, Indian subsidiaries and towards general corporate purposes as per the objects of the issue and as on March 31, 2008, the balance proceeds of USD 94.30 million was kept as deposits with overseas banks pending utilization.
8. The Company has issued 10 million warrants convertible into Equity Shares on preferential basis at a price of Rs.312 per warrant to promoter and promoter group on February 21, 2008. These warrants will be convertible into equity shares of the company at the option of the warrant holders within a period of 18 months from the date of allotment in one or more tranches. The



GITANJALI GEMS LIMITED

proceeds of the warrants of Rs.312 million have been utilized towards expansion and general corporate purposes as per stated objects.

9. The share capital of the company has gone up from Rs. 589,984,950/- divided into 5, 89, 98,495 equity shares of Rs. 10/- each as on March 31 2007 to Rs. 850,628,830/- divided into 8,50,62,883 equity shares of Rs. 10/- each as on March,31 2008 on account of swap of shares in connection with Samuels acquisition, conversion of FCCB & underlying shares towards GDR.

10. Significant events during the year,

- The company has set up a wholly owned subsidiary Gitanjali Lifestyles Limited (GLL) on May 4, 2007. It is being positioned to facilitate and to promote the growing luxury malls across the growing luxury retails markets. GLL entered into an agreement with Morellato's subsidiary - ARMO Netherlands Finance B.V to form a Joint Venture viz. Morellato India Private Limited with the objects of manufacturing, importing and distributing lifestyle products. Further GLL entered into an MOU with Mariella Burani Fashion Group (MBFG), of Italy to form a Joint Venture in India with various objectives including promotion of MBFG Brands in India.
- The Company has received in-principle approval from state and central government for the development of SEZs at Nagpur and Aurangabad. The Company incorporated 5 new wholly owned subsidiaries namely Raigad Gems SEZ Limited, Aurangabad Gems SEZ Limited, Nanded Gems SEZ Limited, Nashik Multi Services SEZ Limited and Nagpur Multi-Product Gems SEZ Limited as special purpose vehicles (SPV) for the developmental activities of various SEZs.
- The Company acquired 100% equity interest of Rogers Limited, Inc. USA operating through 46 stores, located primarily in Midwest region of the United States under the Brand names "Rogers Jewelers" and "Andrew Jewelers".
- The Company increased its stake in Gili India Limited and by virtue of this increase, Gili India Limited; a subsidiary Company became a wholly owned subsidiary of the Company. Gili India Ltd owns one of the India's first retail jewellery brand 'GILI'.
- The Company has acquired the Brand Asset 'Nakshtra' through one of its wholly owned subsidiary Gitanjali Ventures DMCC, a company incorporated in Dubai. The said Brand Asset have been acquired from 'The Diamond Trading Company Ltd' (DTC).

11. As per mandatory Accounting Standard (AS-15 as revised), gratuity liability is provided on the basis of Actuarial Valuation made at the end of Financial Year.

12. Figures have been regrouped and rearranged, wherever necessary.

For GITANJALI GEMS LIMITED



(G. K. NAIR)
DIRECTOR

Place: Mumbai

Date: June 30, 2008