

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

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**AUDITOR'S REPORT ON LIMITED REVIEW**

We have reviewed the accompanying statement of unaudited consolidated financial results of Gitanjali Gems Limited the six month period ended September 30, 2013 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. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors / committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



A.D. Shenoy  
Partner  
Membership No.11549



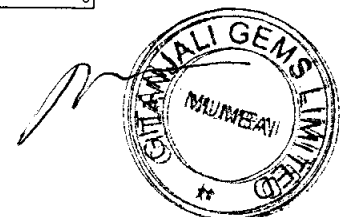
Dated: 14<sup>th</sup> November, 2013  
Place: Mumbai

# GITANJALI

## Statement of unaudited consolidated financial results for the quarter and half-year ended September 30, 2013. Profit & Loss statement

(Rs. in Lacs)

Particulars	Quarter ended			half year ended		Year ended
	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>PART - I</b>						
<b>1 Income from Operations</b>						
(a) Net Sales / income from Operations	300,370.18	391,918.43	392,825.10	692,288.61	731,298.51	1,641,849.63
(b) Other operating income	-	-	-	-	-	-
<b>Total income from operations (net)</b>	<b>300,370.18</b>	<b>391,918.43</b>	<b>392,825.10</b>	<b>692,288.61</b>	<b>731,298.51</b>	<b>1,641,849.63</b>
<b>2 Expenses</b>						
a) Cost of materials consumed / Purchase of stock-in-trade	246,643.11	319,973.48	374,954.93	566,616.59	649,296.09	1,472,455.25
b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	4,498.36	11,242.22	(33,017.91)	15,740.58	(17,121.49)	(60,822.66)
c) Employee benefits expense	8,735.70	6,739.21	7,392.36	15,474.91	14,607.21	29,865.14
d) Depreciation & amortisation expense	810.66	728.10	821.36	1,538.76	1,532.98	3,665.66
e) Other expenses	25,433.21	39,130.47	19,267.09	64,563.68	38,278.19	95,568.62
<b>Total Expenses</b>	<b>286,121.04</b>	<b>377,813.48</b>	<b>369,417.83</b>	<b>663,934.52</b>	<b>686,592.98</b>	<b>1,540,732.01</b>
<b>3 Profit from Operations before other income, finance costs and exceptional items (1-2)</b>	<b>14,249.14</b>	<b>14,104.95</b>	<b>23,407.27</b>	<b>28,354.09</b>	<b>44,705.53</b>	<b>101,117.62</b>
4 Other income	8,875.34	3,385.67	2,896.92	12,261.01	8,515.15	7,081.23
<b>5 Profit from Ordinary activities before finance costs and exceptional items (3+4)</b>	<b>23,124.48</b>	<b>17,490.62</b>	<b>26,304.19</b>	<b>40,615.10</b>	<b>53,220.68</b>	<b>108,198.85</b>
<b>6 Finance costs</b>						
Interest cost	17,817.35	11,827.63	9,293.02	29,644.98	18,521.51	39,305.93
Others	456.97	1,708.22	885.75	2,165.19	2,551.26	6,826.06
<b>7 Profit from Ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>4,850.16</b>	<b>3,954.77</b>	<b>16,125.42</b>	<b>8,804.93</b>	<b>32,147.91</b>	<b>62,066.86</b>
8 Exceptional items	-	-	-	-	-	9.77
<b>9 Profit from ordinary activities before tax (7+8)</b>	<b>4,850.16</b>	<b>3,954.77</b>	<b>16,125.42</b>	<b>8,804.93</b>	<b>32,147.91</b>	<b>62,076.63</b>
10 Tax expense						
- Income Tax	794.85	730.12	2,755.17	1,524.97	5,891.79	10,408.77
- MAT	(1.10)	(424.09)	(1,968.00)	(425.19)	(4,213.20)	(8,042.79)
- Deferred Tax	(0.38)	36.92	(14.49)	36.54	27.31	187.97
<b>11 Net Profit from ordinary activities after tax (9-10)</b>	<b>4,056.79</b>	<b>3,611.82</b>	<b>15,352.74</b>	<b>7,668.61</b>	<b>30,442.01</b>	<b>59,522.68</b>
12 Extraordinary items (net of tax expense)	-	-	-	-	-	-
<b>13 Net Profit for the period (11-12)</b>	<b>4,056.79</b>	<b>3,611.82</b>	<b>15,352.74</b>	<b>7,668.61</b>	<b>30,442.01</b>	<b>59,522.68</b>
14 Share of profit / (Loss) of associates	-	-	-	-	-	-
15 Minority interest	274.38	99.02	186.83	373.40	378.57	353.35
<b>16 Net Profit after taxes, minority interest and share of profit / (Loss) of associates (13+14-15)</b>	<b>3,782.41</b>	<b>3,512.80</b>	<b>15,165.91</b>	<b>7,295.21</b>	<b>30,063.44</b>	<b>59,169.33</b>
17 Paid-up equity share capital	9,206.55	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/-	Rs. 10/-
18 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	367,645.52
<b>19 Earnings per share (before extraordinary items)</b>						
a) Basic	4.11	3.82	16.59	7.92	32.88	64.50
b) Diluted	3.85	3.78	16.59	7.43	32.88	64.20
<b>20 Earnings per share (after extraordinary items)</b>						
a) Basic	4.11	3.82	16.59	7.92	32.88	64.50
b) Diluted	3.85	3.78	16.59	7.43	32.88	64.20
<b>PART - II</b>						
<b>A PARTICULARS OF SHAREHOLDING</b>						
1 Public Shareholding						
- Number of shares	55,904,499	41,412,264	37,749,375	55,904,499	37,749,375	37,341,375
- Percentage of shareholding	60.72	44.98	41.00	60.72	41.00	40.56
2 Promoters and Promoter Group Shareholding						
a) Pledged / Encumbered						
- Number of shares	7,875,343	11,612,726	25,680,392	7,875,343	25,680,392	19,130,530
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	21.78	22.93	47.28	21.78	47.28	34.96
- Percentage of shares (as a % of the total share capital of the company)	8.55	12.61	27.89	8.55	27.89	20.78
b) Non - encumbered						
- Number of shares	28,285,649	39,040,501	28,635,724	28,285,649	28,635,724	35,593,586
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	78.22	77.07	52.72	78.22	52.72	65.04
- Percentage of shares (as a % of the total share capital of the company)	30.72	42.41	31.10	30.72	31.10	38.66
<b>B INVESTOR COMPLAINTS</b>	<b>Opening</b>	<b>Additions</b>	<b>Disposals</b>	<b>Closing</b>		
Number of complaints	0	10	10	0		



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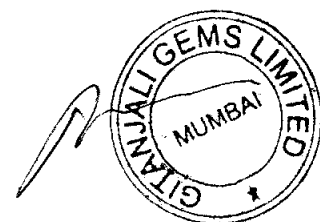
## Consolidated Segmentwise Reporting Revenue, Results and Capital Employed

### A) Primary Segment (By Business Segment)

Particulars	Quarter ended			half year ended		Year ended
	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Segment Revenue</b>						
a) Segment - Diamond	233,080.50	223,109.37	167,906.54	456,189.87	334,696.85	688,512.83
b) Segment - Jewellery	128,113.03	207,038.82	245,040.80	335,151.85	427,650.89	1,016,554.35
c) Segment - Others	1,688.18	1,344.92	(294.99)	3,033.10	838.20	4,130.82
<b>Total</b>	<b>362,881.71</b>	<b>431,493.11</b>	<b>412,652.35</b>	<b>794,374.82</b>	<b>763,185.94</b>	<b>1,709,198.00</b>
Less: Inter Segment Revenue	62,511.53	39,574.68	19,827.25	102,086.21	31,887.43	67,348.37
<b>Net Sales / Income from Operations</b>	<b>300,370.18</b>	<b>391,918.43</b>	<b>392,825.10</b>	<b>692,288.61</b>	<b>731,298.51</b>	<b>1,641,849.63</b>
<b>2. Segment Results</b>						
Profit / (Loss) before tax and interest from each segment						
a) Segment - Diamond	14,707.29	5,765.92	5,644.25	20,473.21	15,064.18	26,879.05
b) Segment - Jewellery	8,773.56	11,965.52	20,887.80	20,739.08	38,576.06	82,775.13
c) Segment - Others	(356.37)	(240.82)	(227.86)	(597.19)	(419.56)	(1,455.33)
<b>Total</b>	<b>23,124.48</b>	<b>17,490.62</b>	<b>26,304.19</b>	<b>40,615.10</b>	<b>53,220.68</b>	<b>108,198.85</b>
Less						
i) Finance cost	18,274.32	13,535.85	10,178.77	31,810.17	21,072.77	46,131.99
<b>Total profit before exceptional item &amp; tax</b>	<b>4,850.16</b>	<b>3,954.77</b>	<b>16,125.42</b>	<b>8,804.93</b>	<b>32,147.91</b>	<b>62,066.86</b>
<b>3. Capital Employed</b>						
a) Segment - Diamond	127,752.62	117,579.91	151,673.34	127,752.62	151,673.34	117,686.54
b) Segment - Jewellery	238,899.31	220,434.20	175,452.02	238,899.31	175,452.02	216,557.44
c) Unallocated net assets	33,393.19	42,350.77	20,645.62	33,393.19	20,645.62	42,608.09
<b>Total</b>	<b>400,045.12</b>	<b>380,364.88</b>	<b>347,770.98</b>	<b>400,045.12</b>	<b>347,770.98</b>	<b>376,852.07</b>

### B) Secondary Segment (By Geographical Segment)

Particulars	Quarter ended			half year ended		Year ended
	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Segment Revenue</b>						
India	76,904.39	223,710.67	244,624.98	300,615.06	422,217.20	959,876.69
Rest of the world	223,465.79	168,207.76	148,200.12	391,673.55	309,081.31	681,972.94
<b>Total Revenue</b>	<b>300,370.18</b>	<b>391,918.43</b>	<b>392,825.10</b>	<b>692,288.61</b>	<b>731,298.51</b>	<b>1,641,849.63</b>



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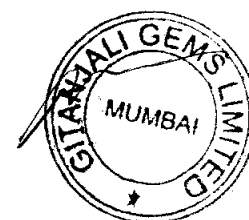
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# GITANJALI

## Statement of Assets and Liabilities

(Rs. in Lacs)

Particulars	Standalone		Consolidated	
	As at 30.09.2013	As at 31.03.2013	As at 30.09.2013	As at 31.03.2013
<b>A EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' funds</b>				
(a) Share capital	9,206.55	9,206.55	9,206.55	9,206.55
(b) Reserves and surplus	275,437.92	271,207.01	390,838.57	367,645.52
(c) Money received against share warrants	-	-	-	-
<b>Sub-total - Shareholders' funds</b>	<b>284,644.47</b>	<b>280,413.56</b>	<b>400,045.12</b>	<b>376,852.07</b>
<b>2 Minority interest</b>	-	-	6,784.63	6,402.59
<b>3 Non-current liabilities</b>				
(a) Long-term borrowings	70,115.86	62,141.87	70,115.86	62,141.87
(b) Deferred tax liabilities (net)	229.89	193.04	232.26	-
(c) Other long-term liabilities	624.24	481.24	35,227.71	6,651.84
(d) Long-term provisions	348.88	330.35	966.26	1,291.65
<b>Sub-total - Non-current liabilities</b>	<b>71,318.87</b>	<b>63,146.50</b>	<b>106,542.09</b>	<b>70,085.36</b>
<b>4 Current liabilities</b>				
(a) Short-term borrowings	425,241.63	246,017.43	758,456.32	461,744.09
(b) Trade payables	85,589.74	266,621.87	127,280.33	433,819.03
(c) Other current liabilities	26,940.31	29,431.99	63,513.32	35,343.01
(d) Short-term provisions	-	3,266.75	5,066.92	7,623.29
<b>Sub-total - Current liabilities</b>	<b>537,771.68</b>	<b>545,338.04</b>	<b>954,316.89</b>	<b>938,529.42</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>893,735.02</b>	<b>888,898.10</b>	<b>1,467,688.73</b>	<b>1,391,869.44</b>
<b>B ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Fixed assets	3,986.37	3,908.78	30,121.49	30,385.47
(b) Goodwill on consolidation	-	-	6,734.46	6,734.46
(c) Non-current investments	160,516.94	160,516.94	10,602.06	10,228.67
(d) Deferred tax assets (net)	-	-	1,839.39	1,438.17
(e) Long-term loans and advances	15,702.85	15,983.57	20,138.18	38,644.57
(f) Other non-current assets	10,324.26	12,482.65	13,367.04	16,531.36
<b>Sub-total - Non-current assets</b>	<b>190,530.42</b>	<b>192,891.94</b>	<b>82,802.62</b>	<b>103,962.70</b>
<b>2 Current assets</b>				
(a) Current investments	-	-	-	-
(b) Inventories	135,887.15	148,958.87	431,366.31	434,733.92
(c) Trade receivables	458,459.77	406,443.77	824,141.06	718,918.01
(d) Cash and cash equivalents	40,511.59	55,077.07	78,793.11	97,034.03
(e) Short-term loans and advances	68,346.09	85,526.45	48,633.11	36,714.40
(f) Other current assets	(0.00)	-	1,952.52	506.38
<b>Sub-total - Current assets</b>	<b>703,204.60</b>	<b>696,006.16</b>	<b>1,384,886.11</b>	<b>1,287,906.74</b>
<b>TOTAL - ASSETS</b>	<b>893,735.02</b>	<b>888,898.10</b>	<b>1,467,688.73</b>	<b>1,391,869.44</b>



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# Gitanjali Gems Limited

## Notes:

1. The above unaudited financial results for the quarter and half year ended 30<sup>th</sup> September, 2013 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 14, 2013.
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



Place: Mumbai  
Date: November 14, 2013

Mehul C. Choksi  
Chairman & Managing Director