

DIGJAM LIMITED**DIGJAM**

Secretarial Department:
Aerodrome Road,
Jamnagar - 361 006, India.
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e-mail: investors@digjam.co.in

Camp : Kolkata
February 7, 2012

1. Bombay Stock Exchange Ltd. (022) 2272 3719/2037/2039/2041/2061
Corporate Relationship Department, 1st Floor, 2272 3121
New Trading Ring, Rotunda Building,
P.J. Towers,
Dalal Street, Fort,
Mumbai 400 001 Code No. 503796

2. The Manager (022) 2659 8237/8238
Listing Department, 66418124/25/26
National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
C/1, Block G,
Bandra-Kurla Complex,
Bandra (E),
Mumbai 400 051 Symbol "DIGJAM"

Dear Sir,

Re: Publication of Unaudited Financial Results for the Third Quarter Ended
December 31, 2011

Further to our letter dated January 28, 2012, we enclose for information of all concerned a copy of the Unaudited Financial Results for the Third Quarter Ended December 31, 2011, which were placed before the Board and taken on record at the meeting held on date.

Further, the aforesaid results were subject to Limited Review by our Auditors, M/s Deloitte Haskins & Sells and their Limited Review Report, which was placed before the Board is also enclosed herewith.

The same is being also uploaded on the Company's website: www.digjam.co.in

Thanking you,

Yours faithfully,
For DIGJAM Limited


(G.K. Sureka)
Company Secretary

Encl: As above.

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DIGJAM LIMITED

Regd. Office : Aerodrome Road, Jamnagar 361006 (Gujarat)

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2011

Particulars	Quarter ended			Year to date ended		(Lac Rs.) Previous period 6 months ended
	31.12.2011	30.9.2011	31.12.2010	31.12.2011	31.12.2010	31.3.2011
	(Unaudited)			(Unaudited)		Audited
1.a. Net Sales	3,303	5,205	3,537	12,387	9,802	8,081
b. Other Operating Income	19	20	21	59	59	42
Total (a+b)	3,322	5,225	3,558	12,446	9,861	8,123
2. Expenditure :						
a. (Increase)/Decrease in Stock-in-trade and WIP	(590)	96	(284)	(861)	(439)	(334)
b. Consumption of Raw Materials	1,757	1,776	1,391	5,413	4,116	3,174
c. Purchase of Traded Goods	576	660	316	1,783	965	815
d. Power and Fuel	381	470	380	1,268	1,186	784
e. Employee Cost	548	544	522	1,575	1,464	1,001
f. Selling Expenses	287	463	376	1,098	1,065	678
g. Depreciation	129	125	125	377	379	249
h. Other Expenditure	403	599	482	1,520	1,443	1,139
Total (a to h)	3,491	4,673	3,308	12,173	10,179	7,506
3. Profit/(Loss) from operations before Interest & Exceptional Items (1-2)	(169)	552	250	273	(318)	617
4. Interest and Financial Charges (Net)	350	332	244	981	676	555
5. Profit/(Loss) after interest but before Exceptional Items (3-4)	(519)	220	6	(708)	(994)	62
6. Exceptional Items	-	-	-	-	5,961	370
7. Profit/(Loss) from Ordinary Activities before tax (5+6)	(519)	220	6	(708)	4,967	432
8. Tax expense	-	-	-	-	(22)	-
9. Net Profit/(Loss) for the Period (7-8)	(519)	220	6	(708)	4,989	432
10. Paid-up Equity Share Capital (Face Value of share - Rs 10)	7,274	7,274	6,876	7,274	6,876	7,274
11. Reserve excluding Revaluation Reserves	-	-	-	-	-	89
12. Earnings/(Loss) per Share - Basic and Diluted - Rs.	(0.78)	0.23	(0.07)	(1.18)	7.04	0.48
13. Public Shareholding						
- Number of Shares	48,026,707	48,026,707	44,212,738	48,026,707	44,212,738	48,051,383
- Percentage of Shareholding	66.04	66.04	64.32	66.04	64.32	66.07
14. Promoters and Promoter Group Shareholding						
(a) Pledged/Encumbered						
- Number of Shares	3,600,205	3,600,205	3,600,205	3,600,205	3,600,205	-
- Percentage of Shares (% of total shareholding of Promoters and Promoter Group)	14.57	14.57	14.68	14.57	14.68	-
- Percentage of Shares (% of total Share Capital of the Company)	4.95	4.95	5.24	4.95	5.24	-
(b) Non-encumbered						
- Number of Shares	21,101,384	21,101,384	20,928,708	21,101,384	20,928,708	24,676,913
- Percentage of Shares (% of total shareholding of Promoters and Promoter Group)	85.43	85.43	85.32	85.43	85.32	100.00
- Percentage of Shares (% of total Share Capital of the Company)	29.01	29.01	30.45	29.01	30.45	33.93

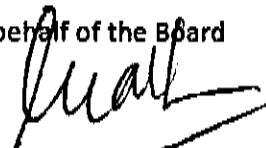


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Notes

1. The Company operates in single business segment "Textiles" (as per Accounting Standard 17).
2. Slowdown in demand for fabrics in the domestic and international markets and sharp rise in imported wool cost due to firming up of Australian Dollar during the period, as compared to the corresponding period last year, severely impacted the performance.
3. Debit balance in Profit & Loss Account as at March 31, 2011 - Rs. 8909 lacs is carried forward.
4. Management considers the advance of Rs 881 lacs - qualified by Auditors in accounts - as good.
5. During the quarter ended December 31, 2011, 20 complaints were received from the investors, all of which were redressed. 1 complaint outstanding at the beginning of the quarter remains pending for want of clarification from the investor.
6. Previous period figures have been regrouped and rearranged wherever necessary. The figures for year-to-date ended December 31, 2010 are the aggregate of those for the six months ended September 30, 2010 (comprised in accounting period of 18 months ended September 30, 2010) and the quarter ended December 31, 2010 (comprised in accounting period of 6 months ended March 31, 2011).
7. The Company has proposed a Scheme of Arrangement with its Shareholders in terms of Section 391 and other applicable provisions of the Companies Act, 1956 for conversion of preference share capital aggregating Rs 2162.43 lacs into appropriate number of equity shares at a price of Rs 14.50 (including premium of Rs 4.50) per share subject to necessary statutory and other approvals/consents including sanction of the Hon'ble High Court of Gujarat.
8. The above results, subjected to limited review by the statutory auditors, were reviewed and recommended by the Audit Committee, and approved by the Board of Directors at their respective meetings held on February 7, 2012.

For and on behalf of the Board

C. L. Rathl
Managing DirectorKolkata,
February 7, 2012

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Deloitte Haskins & Sells

Deloitte Haskins & Sells
Chartered Accountants
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AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF DIGJAM LIMITED

We have reviewed the accompanying statement of Unaudited Financial Results of **DIGJAM LIMITED** ("the Company") for the quarter ended December 31, 2011 ("the Statement"). This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

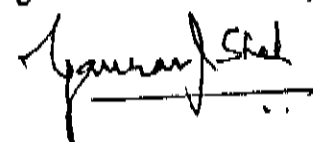
We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.

Attention is invited to Note No. 4 of the statement regarding recoverability of advances of Rs. 881 lacs, considered good by the management, for which we are unable to comment upon the ultimate recoverability of the same. Necessary recognition of interest etc., if any, will be made on settlement of ongoing legal/arbitration proceedings.

Subject to above and based on our review conducted as stated above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No. 117365W)



(Gaurav J Shah)
Partner

(Membership No. 35701)

Ahmedabad, 7th February, 2012