

DIGJAM LIMITED

DIGJAM**Secretarial Department:**

Aerodrome Road,
Jamnagar – 361 006, Gujarat, India

Tel.: +91-288-2712972 - 73

Fax: +91-288-2712991

e-mail: investors@digjam.co.in

Camp : Kolkata

July 30, 2014

1. Bombay Stock Exchange Ltd. (022) 2272 3121/1278/1557/3354/3577
Corporate Relationship Department, 1st Floor,
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 First Quarter Ended June 30, 2014

Further to our letter no. 1875 dated July 1, 2014, we enclose for information of all concerned a copy of the Unaudited Financial Results for the First Quarter ended June 30, 2014, 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

DIGJAM LIMITED

(CIN: L17110GJ1948PLC000753)
Registered Office: Aerodrome Road, Jamnagar 361 006
(Gujarat)
Tel: 91-288-2712972; Fax: 91-288-2712991
Email: cosec@digjam.co.in; website: www.digjam.co.in

DIGJAM

PART I: Statement of Standalone Unaudited Results for the Quarter ended June 30, 2014

(₹ in lacs)

Sl.	Particulars	Quarter ended			Year ended
		June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
		Unaudited	Unaudited	Unaudited	Audited
			(See Note 6)		
1	Income from Operations				
	a) Net Sales/Income from Operations (Net of Excise Duty)	2,358	3,928	3,096	14,643
	b) Other Operating Income	78	82	142	375
	Total Income from Operations (Net)	2436	4010	3,238	15,018
2	Expenses				
	a) Cost of materials consumed	1,014	1,147	1,267	5,146
	b) Purchases of stock-in-trade	169	608	479	2,164
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	64	56	(209)	(182)
	d) Employee benefits expense	573	370	541	2,067
	e) Depreciation and amortisation expense	101	98	96	388
	f) Power and Fuel	347	326	360	1,429
	g) Other Expenses	590	858	684	2,925
	Total Expenses	2,858	3,463	3,218	13,937
3	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	(422)	547	20	1,081
4	Other Income	36	127	34	228
5	Profit/(Loss) from Ordinary activities before finance costs and exceptional items (3+4)	(386)	674	54	1,309
6	Finance costs	293	315	324	1,280
7	Profit/(Loss) from Ordinary activities after finance costs but before Exceptional Items (5-6)	(679)	359	(270)	29
8	Exceptional Items	-	-	-	-
9	Profit/(Loss) from ordinary activities before tax (7+8)	(679)	359	(270)	29
10	Tax Expense	-	-	-	-
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	(679)	359	(270)	29
12	Extraordinary items (net of tax expenses)	-	-	-	-
13	Net Profit/(Loss) for the period (11+12)	(679)	359	(270)	29
14	Paid-up Equity Share Capital (Face value: ₹10 / Share)	8,766	8,766	8,766	8,766
15	Reserves excluding Revaluation Reserve as per the balance sheet of previous accounting year	-	-	-	(7,578)
16	Earnings per Share (of ₹10 each) (not annualised) (₹) before & after extraordinary items: -Basic & Diluted	(0.77)	0.41	(0.31)	0.03

PART II: Select Information for the Quarter ended June 30, 2014

Sl.	Particulars	Quarter ended			Year ended
		June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
A	Particulars of Shareholding				
1	Public Shareholding				
	- Number of Shares	49,490,151	49,490,151	50,510,151	49,490,151
	- Percentage of Shareholding	56.47	56.47	57.63	56.47
2	Promoters and Promoter Group Shareholding				
	a) Pledged/Encumbered				
	- Number of Shares	3,600,205	3,600,205	3,600,205	3,600,205
	- Percentage of Shares (as a % of the total Shareholding of Promoters and Promoter Group)	9.44	9.97	9.97	9.97
	- Percentage of Shares (as a % of the total Share Capital of the Company)	4.11	4.11	4.11	4.11
	b) Non-Encumbered				
	- Number of Shares	34,551,265	34,551,265	33,531,265	34,551,265
	- Percentage of Shares (as a % of the total Shareholding of Promoters and Promoter Group)	90.56	90.56	90.03	90.56
	- Percentage of Shares (as a % of the total Share Capital of the Company)	39.42	39.42	38.26	39.42
B	Investor Complaints				
	Pending at the beginning of the Quarter	Nil			
	Received during the Quarter	5			
	Disposed of during the Quarter	5			
	Remaining unresolved at the end of the Quarter	Nil			

Contd.

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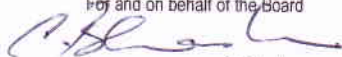


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Notes:

1. The Company operates in single business segment "Textiles" (as per Accounting Standard 17).
2. Sales in our industry are seasonal in nature and more linked to festival and winter sales. The first quarter performance is not representative of the full year's performance.
3. Decisive general election results have driven domestic market sentiments resulting in improved order booking for delivery in subsequent quarters; however traditional export markets remained depressed.
4. With regard to the qualification made by the Auditors on annual accounts - in respect of realisability of advance of ₹ 881 lacs - management considers the advance as good. Since close of the financial year, NSE has advised that the qualification be suitably rectified. As the matter is sub-judice, the Company has initiated appropriate steps based on professional advice.
5. Previous period's figures have been regrouped and rearranged wherever necessary.
6. Figures for the quarter ended March 31, 2014 are the balancing figures between audited figures for the full financial year ended March 31, 2014 and the published year to date figures upto the third quarter of the said financial year; figures would need to be interpreted/analysed accordingly.
7. 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 meeting held on July 30, 2014.

Kolkata
July 30, 2014

For and on behalf of the Board

C Bhaskar
Managing Director & Chief Executive Officer



INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF DIGJAM LIMITED

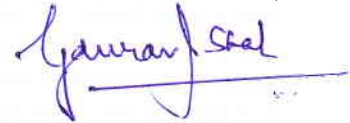
1. We have reviewed the accompanying Statement of Unaudited Financial Results of **DIGJAM LIMITED** ("the Company") for the Quarter ended June 30, 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 5 below. 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.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', 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 misstatement. A review is limited primarily to inquiries of 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 audit opinion.
3. *Attention is drawn to Note 4 to the Statement which describes the dispute with regard to possession of certain property. In the absence of necessary evidence and since the legal/arbitration proceedings have been ongoing for several years, we are unable to comment upon the ultimate recoverability of Capital Advances of Rs.880.63 lacs given by the Company towards purchase thereof, which are considered good by the Management.*

On May 5, 2014, the Company has received a letter from the National Stock Exchange of India Limited dated April 28, 2014 informing the Company that based on the recommendations of Qualified Audit Review Committee (QARC) of SEBI, in terms of Clauses 5(d)(i) and 5(d)(iii) of the applicable SEBI Circular dated August 13, 2012, the Company is advised that the qualification raised by the Statutory Auditors shall be suitably rectified and that the same qualification shall not appear in the Audit Report for the next reporting period. For the reasons stated in the above said Note 4, the Company has initiated appropriate steps based on professional advice and, accordingly, no rectification has been made in the Statement.

4. Based on our review conducted as stated above, *except for the effects of the matter described in paragraph 3 above*, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable in respect of Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, and 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.

5. 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 with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter ended June 30, 2014 of the Statement, from the details furnished by the Management.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)



Gaurav J Shah
Partner
(Membership No. 35701)

AHMEDABAD, July 30, 2014