

GITANJALI

GGL/S&L/2012/149

May 21, 2012

Department of Corporate Services
Bombay Stock Exchange Limited
P.J. Towers, Dalal Street
Mumbai - 400 001

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra – Kurla Complex
Bandra (E), Mumbai – 400051

Dear Sir,

Sub. : Audited Financial results for the year ended March 31, 2012 – Clause 41 of the Listing Agreement

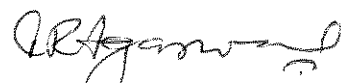
**Ref. : BSE Scrip Code – 532715
NSE Scrip Symbol – GITANJALI**

Apropos the captioned subject, enclosed is the copy of the Standalone Audited Financial results of the Company alongwith auditors report pursuant to Clause 41 of the Listing Agreement for the year ended March 31, 2012 duly reviewed by the Audit Committee and which was considered and approved by the Board of Directors of the Company in their meeting held on May 21, 2012.

This is for your information and records pursuant to Clause 41 of the Listing Agreement.

Please acknowledge the receipt.

Thanking you,
Yours faithfully,
For Gitanjali Gems Limited



(Vijay Agarwal)
VP – Secretarial & Legal

Gitanjali Gems Limited

Registered Office:

801/802, Prasad Chambers,
Opera House, Mumbai 400 004, India.
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FORD, RHODES, PARKS & CO.

CHARTERED ACCOUNTANTS

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

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Auditor's Report On Year to date Standalone Financial Results of the Company Pursuant to
Clause 41 of the Listing Agreement

To

Board of Directors of Gitanjali Gems Limited

We have audited the year to date financial results of Gitanjali Gems Limited for the year April 1, 2011 to March 31, 2012 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 year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such 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.

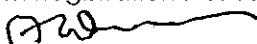
We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, 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.

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) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the year to date results for the year from April 1, 2011 to March 31, 2012.

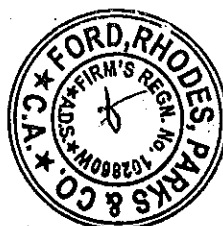
Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by 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 : 21st May, 2012



GITANJALI

Gitanjali Gems Ltd.

Audited standalone financial results for the quarter and year ended 31st March, 2012
Profit & Loss statement

Particulars	Quarter ended			Year ended	
	March 31, 2012	December 31, 2011	March 31, 2011	March 31, 2012	March 31, 2011
	Audited	Unaudited	Unaudited *	Audited	Audited
1 Income from Operations					
(a) Net Sales / income from Operations	218,247.35	202,984.86	147,916.17	775,547.10	506,709.46
(b) Other operating income	-	-	-	-	-
Total income from operations (net)	218,247.35	202,984.86	147,916.17	775,547.10	506,709.46
2 Expenses					
a) Cost of materials consumed / Purchase of stock-in-trade	249,894.25	158,127.29	183,790.48	723,986.88	487,833.92
b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(51,569.12)	24,086.42	(49,776.12)	(25,008.65)	(31,609.34)
c) Employee benefits expense	826.27	609.18	698.30	2,651.13	2,479.74
d) Depreciation & amortisation expense	92.56	93.19	86.38	346.63	335.63
e) Other expenses	10,457.36	9,455.02	7,213.23	33,329.34	20,682.90
Total Expenses	209,701.32	192,371.10	142,012.27	735,305.33	479,722.85
3 Profit from Operations before other income, finance costs and exceptional items (1-2)	8,546.03	10,613.76	5,903.90	40,241.77	26,986.61
4 Other income	2,400.18	(2,419.15)	2,842.25	9,754.07	6,325.33
5 Profit from Ordinary activities before finance costs and exceptional items (3+4)	10,946.21	8,194.61	8,746.15	49,995.84	33,311.94
6 Finance costs					
Interest cost	4,695.05	3,980.40	2,297.43	15,010.83	10,034.37
Others	1,682.88	(958.76)	35.04	10,083.67	405.43
7 Profit from Ordinary activities after finance costs but before exceptional items (5-6)	4,568.28	5,172.96	6,413.68	24,901.34	22,872.14
8 Exceptional items	(304.56)	-	24.40	972.31	24.40
9 Profit from ordinary activities before tax (7+8)	4,263.71	5,172.96	6,438.08	25,873.65	22,896.54
10 Tax expense (net of MAT credit)	(261.44)	(591.77)	(191.52)	39.82	436.23
11 Net Profit from ordinary activities after tax (9-10)	4,525.15	5,764.73	6,629.60	25,833.83	22,460.31
12 Extraordinary items (net of tax expense)	-	-	-	-	-
13 Net Profit for the period (11-12)	4,525.15	5,764.73	6,629.60	25,833.83	22,460.31
14 Paid-up equity share capital	9,112.21	9,112.21	8,487.16	9,112.21	8,487.16
Face value of the share	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-
15 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	244,061.63	215,937.32
16 Earnings per share (before extraordinary items)					
a) Basic	5.16	6.65	7.85	29.43	26.46
b) Diluted	5.14	6.65	6.76	29.37	22.84
17 Earnings per share (after extraordinary items)					
a) Basic	5.16	6.65	7.85	29.43	26.46
b) Diluted	5.14	6.65	6.76	29.37	22.84
16 (a) Debt Equity Ratio				0.25	0.20
(b) Debt Service Coverage Ratio				3.94	0.75
(c) Interest Service Coverage Ratio				10.98	17.86
PARTICULARS OF SHAREHOLDING					
17 Public Shareholding					
- Number of shares	40,885,576	41,587,076	38,423,138	40,885,576	38,423,138
- Percentage of shareholding	44.87	45.64	45.27	44.87	45.27
18 Promoters and Promoter Group Shareholding					
a) Pledged / Encumbered					
- Number of shares	18,138,833	15,328,833	9,374,000	18,138,833	9,374,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	36.11	30.95	20.18	36.11	20.18
- Percentage of shares (as a % of the total share capital of the company)	19.91	16.82	11.05	19.91	11.05
b) Non - encumbered					
- Number of shares	32,097,686	34,206,186	37,074,460	32,097,686	37,074,460
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	63.89	69.05	79.82	63.89	79.82
- Percentage of shares (as a % of the total share capital of the company)	35.22	37.54	43.68	35.22	43.68

* Refer Note - 2

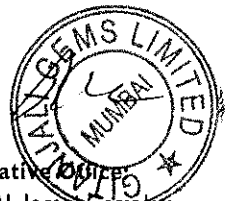
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Gitanjali Gems Ltd.

Standalone segmentwise reporting revenue, results and capital employed

A) Primary Segment (By Business Segment)

Particulars	Quarter ended			Year ended	
	March 31, 2012	December 31, 2011	March 31, 2011	March 31, 2012	March 31, 2011
	Audited	Unaudited	Unaudited *	Audited	Audited
1. Segment Revenue					
a) Segment - Diamond	94,951.30	100,559.26	85,181.22	390,791.62	334,373.19
b) Segment - Jewellery	124,975.49	103,354.63	63,546.04	393,658.00	176,191.89
Total	219,926.79	203,913.89	148,727.26	784,449.62	510,565.08
Less: Inter Segment Revenue	1,679.44	929.03	811.09	8,902.52	3,855.62
Net Sales / Income from Operations	218,247.35	202,984.86	147,916.17	775,547.10	506,709.46
2. Segment Results					
Profit / (Loss) before tax and interest from each segment					
a) Segment - Diamond	4,428.42	2,597.48	2,443.75	21,353.68	14,629.56
b) Segment - Jewellery	6,517.79	5,597.13	5,962.42	28,642.16	19,212.47
Total	10,946.21	8,194.61	8,406.17	49,995.84	33,842.03
Less					
i) Finance cost	6,377.93	3,021.64	2,332.47	25,094.50	10,439.80
ii) Other Un-allocable expenses	-	-	(339.98)	-	530.09
Total profit before exceptional item & tax	4,568.28	5,172.96	6,413.68	24,901.33	22,872.14
3. Capital Employed					
a) Segment - Diamond	96,384.58	67,988.24	74,620.34	96,384.58	74,620.34
b) Segment - Jewellery	59,548.58	54,490.43	53,711.19	59,548.58	53,711.19
c) Unallocated net assets	98,240.68	129,351.66	97,321.21	98,240.68	97,321.21
Total	254,173.84	251,830.33	225,652.74	254,173.84	225,652.74

B) Secondary Segment (By Geographical Segment)

Particulars	Quarter ended			Year ended	
	March 31, 2012	December 31, 2011	March 31, 2011	March 31, 2012	March 31, 2011
	Audited	Unaudited	Unaudited *	Audited	Audited
Segment Revenue					
India	139,901.61	111,443.13	58,088.58	429,287.54	205,893.34
Rest of the world	78,345.74	91,541.73	89,827.59	346,259.56	300,816.12
Total Revenue	218,247.35	202,984.86	147,916.17	775,547.10	506,709.46

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Notes :-

1. The above audited financial results for the year ended 31st March, 2012 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 21st May, 2012.
2. The figures for the quarter ended 31st March, 2012 and 31st March, 2011 are the balancing figures between audited figures in respect of full financial year ended 31st March, 2012 and 31st March, 2011 respectively and the published unaudited year to date figures up to 31st December, 2011 and 31st December, 2010 respectively.
3. As on 31st March 2012 net GDR proceeds of USD 0.0658 million were kept in deposits with overseas banks pending utilization.
4. The paid up equity share capital of the company increased from Rs 8,487.16 Lacs as on 31st March, 2011 to Rs 9,112.21 Lacs as on 31st March, 2012, consequent to conversion of 1% Foreign Currency Convertible Bonds (FCCB) in to equity shares. Out of total FCCBs (USD 110 million) issued, 63.4% of the total issue size was converted into equity shares and balance 36.6% bonds matured on November 25, 2011. The outstanding bonds worth USD 40.26 million were redeemed and Company paid outstanding principal amount and premium due to the bondholders. The redemption premium amounting to Rs 8,886.63 was debited to share premium account. Post conversion total outstanding number of equity shares of the company stood at 91,122,095.
5. The Board of Directors have recommended a Dividend of Rs. 3/- per equity share of Rs. 10/- each for the year ended 31st March 2012.
6. Ratios have been computed as follows;
 - Debt Equity ratio = Debt / Tangible Networkth
 - Debt Service Coverage ratio = EBITDA / Finance cost + Principal repayment of debt during the year.
 - Interest Service Coverage ratio = EBITDA / Interest paid & payable on debt.

Debt = Long Term borrowings (including their current maturities)

7. Investors' complaints received and disposed off during the quarter ended March 31, 2012 are as follows;

Complaints pending at the beginning of the quarter	NII
Complaints received during the quarter	19
Disposal of complaints	19
Unresolved complaints at the end of the quarter	NII

8. Provision for Tax have been calculated as follows:

	31 st March 2012	31 st March 2011
Provision for Tax	921,079,861	404,131,870
MAT	(601,967,305)	-
Deferred Tax	21,329,950	(137,013,735)
Tax Expense/(credit)	340,442,506	267,118,135

9. The Company has identified two major reportable segments - viz. Diamond business and Jewellery business.

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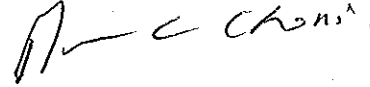
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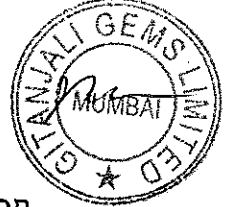
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10. Except for the 12 month period, EPS is not annualised.
11. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31st March 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. Further, previous periods/years figures have been regrouped/rearranged wherever necessary.

For GITANJALI GEMS LIMITED



MEHUL C. CHOKSI
CHAIRMAN & MANAGING DIRECTOR



Place: Mumbai
Date: 21st May, 2012

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