

Limited Review Report

Review Report to the Board of Directors Goenka Diamond & Jewels Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Goenka Diamond & Jewels Limited ('the Company') for the quarter ended December 31, 2015 ("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.
2. We conducted our review in accordance with the Standard on Review Engagement (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 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.
3. *Trade Receivables of Rs.72441.81 Lacs which includes Rs.63640.11 lacs outstanding for more than six months from due date considered good by the management, are subject to confirmations/ reconciliation and adjustments. There have been defaults on payment obligations by the debtors on due date and recoveries from these debtors are not significant. In view of the above we are unable to comment on the realisability of the debts and any provision to be made for unrealisability of these balances and the consequential impact, on the financial statements.*
4. Based on our review conducted as above, except for the matter stated in above para 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to:
 - a) *Valuation of Inventory is based on determination of estimated net realizable value and specific identification involving technical judgment of management and which has been relied upon by us.*
 - b) *Note No. 4 of Notes on financial results regarding disputes/ allegation/counter allegation and legal cases amongst promoters and on the Company and family settlement agreement entered thereafter which is pending for final implementation.*
 - c) *Refer Note No.4 regarding non-realization of debtors, overall substantial decrease in volume of business and sales, non-payment of statutory dues and taxes, overdue creditors, defaults in repayment of loans and interest owing to which some banks have classified account as NPA. These factors indicate liquidity crunch faced by the company and therefore its future operations are largely dependent on recoveries from overseas debtors, infusion of fresh capital and restructuring/ release of additional working capital from banks.*
 - d) *Certain banks have classified its advance to company as NPA and are not charging interest or have charged excess interest in earlier year. In order to account all probable liabilities the management in its best judgment has provided interest on such borrowings. The management is of the opinion that any difference on account of interest, penal interest shall be accounted for as and when the interest is charged or adjusted by the banks.*

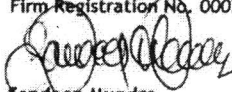
Our report is not modified in respect of these matters.

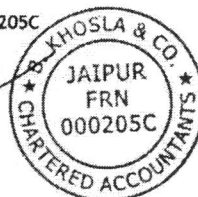
For RSYA & Co.
Chartered Accountants
Firm Registration No.110504W


B N Rao
Partner
Membership No.: 039555
Mumbai
Date: February 13, 2016



For B. Khosla & Co.
Chartered Accountants
Firm Registration No. 000205C


Sandeep Mundra
Partner
Membership No.: 075482





GOENKA DIAMOND AND JEWELS LIMITED

Registered Office: 401, Pancharatna, MBS Ka Rasta, Johari Bazar, Jaipur : 302003, Rajasthan

CIN No.L36911RJ1990PLC006661

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED DEC 31, 2016

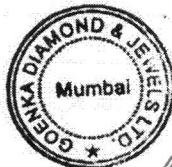
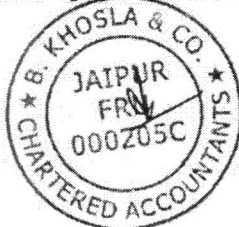
(₹ in Lacs)

SR. NO.	PARTICULAR	Quarter Ended			Nine Months Ended		Year Ended
		31st Dec 2016	30th Sept 2016	31st Dec 2014	31st Dec 2016	31st Dec 2014	31st March 2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
	(a) Net Sale / Income from Operation (Net of excise duty)	2,757.61	215.58	3,489.07	7,664.82	7,594.82	10,252.93
	(b) Other Operating Income	(2.98)	(4.88)	(4.40)	(12.36)	(28.95)	(29.25)
	(c) Exchange Gain (Loss) (Net)	293.02	1,081.13	814.91	1,977.20	1,448.12	1,068.90
	Total Income from operations (net)	3,047.65	1,291.83	4,299.58	9,629.66	9,013.99	11,292.48
2	Expenses						
	(a) Cost of materials consumed	2,559.96	105.56	3,026.28	6,915.40	6,258.09	8,744.20
	(b) Purchases of stock-in-trade	-	-	-	-	-	-
	(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	212.27	131.98	317.40	329.73	704.87	338.53
	(d) Employee benefits expenses	32.86	33.27	43.67	102.23	117.73	152.85
	(e) Depreciation and amortisation expenses	15.38	15.39	19.26	48.15	57.85	114.63
	(f) Other expenses	43.80	40.72	84.41	124.19	220.92	266.52
	Total Expenses	2,864.87	326.90	3,491.02	7,617.70	7,359.06	9,614.73
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	182.78	964.93	808.56	2,111.96	1,654.93	1,677.75
4	Other Income	43.01	42.67	42.67	127.01	135.23	174.64
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	225.79	1,007.60	851.23	2,238.97	1,790.17	1,852.39
6	Finance costs - (Refer Note No. 4)	497.18	538.73	694.49	1,655.19	1,506.47	1,744.11
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(271.39)	468.87	156.74	583.78	193.70	108.28
8	Exceptional items	-	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7-8)	(271.39)	468.87	156.74	583.78	193.70	108.28
10	Tax Expenses						
	Current Tax	(51.46)	98.13	36.46	127.67	52.83	35.00
	MAT Credit Entitlement	(47.00)	(38.25)	(5.15)	(107.75)	(7.65)	(5.00)
	Deferred Tax	68.04	(6.44)	(2.21)	56.72	(11.59)	(18.54)
11	Net Profit for the period (9-10)	(240.15)	415.43	127.64	507.14	160.10	96.82
12	Share of Profit / (Loss) of associates	-	-	-	-	-	-
13	Minority Interest	-	-	-	-	-	-
14	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associate (11+12-13)	(240.15)	415.43	127.64	507.14	160.10	96.82
15	Paid-up Equity Share Capital	3,170.00	3,170.00	3,170.00	3,170.00	3,170.00	3,170.00
16	Reserve (Excluding Revaluation Reserve)	-	-	-	-	-	27,140.32
17	Earning Per Shares in ₹. (Not Annualized)						
	Basic	(0.08)	0.13	0.04	0.16	0.05	0.03
	Diluted	(0.08)	0.13	0.04	0.16	0.05	0.03

Notes:

- The above results were reviewed by the Audit Committee and have been approved by Board of Directors of the company in its meeting held on 13th February 2016.
- Out of the total public issue proceeds of Rs.12651 Lacs, Company has up till Dec 31, 2015 utilised Rs.12544 Lacs towards object of the issue as interest re-allocated and approved by the Board of Directors at their meeting held on May 24, 2011. Pending utilisation of the balance proceeds, the same have been temporarily invested in Bank Balances and other liquid assets.
- Mr. Nitin Goenka has vide resignation letter dated 10th Feb 2016 resigned from the post of Director and the Managing Director. As per directives contained in Hon'ble Company Law Board's order dated 10th Feb 2016, the Board in its meeting held on 13th Feb 2016 has accepted the resignation of Mr. Nitin Goenka.
- Regarding auditors observations relating to old outstanding Trade Receivables, disputes amongst promoters and other factual position regarding business relating to liquidity crunch, decrease in sales, non-payment of statutory dues, defaults in repayment of loans and interest etc., the management is of the view that due to certain unfavourable development in earlier year on account of disputes amongst promoters, the recovery from trade receivables are slow but at the same time management is confident that these trade receivables are good and recoverable. Due to slow recovery from trade receivables, there is a temporary mismatch in the cash flow resulting in default in repayment of statutory dues and dues to certain banks owing to which certain banks have classified the account as NPA. Promoter's dispute has now come to an end after a family settlement agreement was executed in March 2014 with the help of Court mediation and is at final stage of implementation subject to fulfilment of certain conditions. The bankers have also formed Joint Lenders Forum (JLF) on 29th May, 2014, in accordance with RBI guidelines wherein some additional loan facilities are sanctioned/ proposed to be sanctioned to the company, so that the Company can revive its operations and come out of the financial crisis.
- With regard to auditors observation relating to bank interest, the management in its best judgement and as a matter of prudence has accounted for all probable interest liability wherever banks have not applied interest and has made adequate representations to bank where excess interest has been charged by bank in earlier year.
- The Statutory Auditors have carried out a limited review of standalone results for quarter ended Dec 31, 2015 in compliance with Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.
- Previous period / year figures have been regrouped / restated / rearranged, wherever necessary.

Place : Mumbai
Date : February 13, 2016



For Goenka Diamond And Jewels Ltd

Nandlal Goenka
Nandlal Goenka
Chairman





GOENKA DIAMOND AND JEWELS LIMITED

Registered Office: 401, Pancharatna, MSB Ka Rasta, Johari Bazar, Jaipur : 302003, Rajasthan
CIN No.L38911RJ1990PLC005651

UNAUDITED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER / NINE MONTHS ENDED DEC 31, 2015

(₹ In Lacs)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31st Dec 2015	30th Sept 2015	31st Dec 2014	31st Dec 2015	31st Dec 2014	31st March 2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
(a) Diamond	2,436.96	130.46	3,053.29	7,131.36	6,123.14	8,341.67
(b) Jewellery	317.67	80.24	431.37	621.10	1,442.73	1,882.01
(c) Unallocable	-	-	-	-	-	-
Total	2,754.63	210.70	3,484.67	7,662.46	7,565.87	10,223.68
2. Segment Results						
(a) Diamond	118.82	823.99	722.90	1,864.92	1,448.22	1,487.94
(b) Jewellery	103.33	190.64	177.98	385.64	431.92	439.17
(c) Unallocable	-	-	-	-	-	-
Total	222.15	1,014.63	900.88	2,250.56	1,880.14	1,927.11
Less: (i) Interest	(497.16)	(538.73)	(694.13)	(1,655.19)	(1,596.11)	(1,743.98)
(ii) Other Income	43.01	42.67	42.55	127.01	123.96	163.37
(iii) Unallocable Expenses / Income	(38.57)	(49.70)	(92.57)	(138.60)	(214.30)	(238.22)
Total Profit Before Tax	(270.67)	468.87	156.74	583.78	193.70	108.28
3. Capital Employed						
(a) Diamond	38,722.39	38,039.90	35,549.62	38,722.39	35,549.62	36,960.09
(b) Jewellery	8,853.85	9,311.71	9,561.68	8,853.85	9,561.68	8,070.66
(c) Unallocable	(16,685.94)	(16,232.53)	(14,723.25)	(16,685.94)	(14,723.25)	(14,720.42)
Total	30,890.30	31,119.07	30,388.05	30,890.30	30,388.05	30,310.32

