

## Mansi Chheda (LISCO)

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**From:** Pankhuri <pankhuri@gitanjaligroup.com>  
**Sent:** 17 February 2018 16:39  
**To:** Sandeep Dhamal (LISCO); mehul@gitanjaligroup.com; chandrakant.karkare@gitanjaligroup.com  
**Cc:** Avinash Kharkar (LISCO); Janardhan Gujran (LISCO); Kautuk Upadhyay (LISCO); Mansi Chheda (LISCO); Sailee Pawaskar (LISCO); Jiten Patel (LISCO); Hiren Shah (LISCO)  
**Subject:** RE: News Clarification- Gitanjali Gems Ltd- \*Reminder- 1\*  
**Attachments:** Asmi Notice - Annexure A Collectively.pdf; Gili Notice - Annexure A Collectively.pdf; Gitanjali Notice - Annexure A Collectively.pdf; Letter from S Krishnan to PNB dated 14.02.2018 - Annexure D.pdf; Nakshatra Notice - Annexure A Collectively.pdf; Resignation - Chandrakant Karkare - Annexure-C.pdf; Resignation - Pankhuri Warange - Annexure-B.pdf

Dear Madam/ Sir,

With reference to the captioned letter the undersigned wishes to submit reply putting the events in chronological order as under:

1. On Thursday, February 8<sup>th</sup>, 2018, the CMD's office received letters from PNB calling off their limits in the Company and its subsidiaries alleging some fraudulent activity. The said allegations were put without mentioning any details of the nature of transactions or any corroborative evidence. A copy of the letter received from PNB is attached herewith and marked as **Annexure - A**.
2. The said letters were forwarded by the CFO to the undersigned on Saturday, February 10, 2018. The officials of the Company were clueless as no details pertaining to alleged transactions were provided by PNB.
3. The officials of the Company tried to gain some insight on this from senior management but due to their unavailability and in absence of any guideline on how to deal with this issue the officials of the company decided to verify the facts internally.
4. Since it was an allegation without any supporting detail or evidence, the officials of the company decided to speak to the auditors and audit committee chairman with a view to gather the facts related to alleged fraudulent activities.
5. At this juncture it was not considered suitable to put this information in public domain as neither PNB clarified the allegations nor did the officials of Company had any clue of allegations made by PNB.
6. The undersigned was not in office on February 10, 2018. Sunday, February 11, 2018 being non-working days the officials of the Company had a meeting with statutory auditors on Monday, February 12, 2018, informing them about receipt of such letter and their opinion on the same who expressed similar surprise over the allegations made by PNB.
7. The senior officials thereafter informed the allegations made by PNB to the Audit Committee Chairman and had a meeting with the Audit Committee Chairman on 13<sup>th</sup> February, 2018.

8. Since the officials of company had no guideline over this entire issue from senior management and they needed time to investigate the allegations, they took a conscious decision to postpone the Audit Committee and the Board Meeting scheduled on February 14, 2018 to approve the unaudited results of the company for the quarter and nine months ended December 31, 2017.
9. The decision to postpone the meeting and results was accordingly informed to stock exchange quoting “pressing contingencies” as reason as till that time nothing substantial could be established by the company officials for informing to the stock exchange.
10. In view of the the media speculations it will not be out of context to presume that there was a sense of fear and uncertainty amongst the employees of the company. Also in absence of any clear guideline from the senior management and being in the state of absolute cluelessness about the entire incident, the undersigned resigned as Company Secretary and Compliance Officer of the Company effective February 13, 2018. The Chief Financial Officer of the Company also resigned effective February 15, 2018. Copies of said resignation letters is annexed hereto and marked as **Annexure B & Annexure C**.
11. Upon receipt of the letter the audit committee chairman found these allegations to be absolutely baseless as neither had the management of Company come across any such fraudulent activity nor was anything found amiss or ever reported by the internal and the statutory auditors of the Company.
12. The Audit Committee Chairman immediately refuted the allegations of PNB vide his letter dated February 14, 2018 and requested them to provide the corroborative evidence, if any. A copy of the said letter addressed to PNB is annexed hereto and marked as **Annexure – D**.
13. The Company’s offices at BKC were visited by the officers of the Enforcement Directorate on February 15, 2018 and the officials of the Company including the undersigned were engaged throughout the day assisting the officers with their requirements.
14. The Company’s offices at BKC were visited by the officers of the Central Bureau of Investigation on February 16, 2018 and officials of the Company including the undersigned were engaged throughout the day assisting the officers with their requirements. Further the company officials had no access to emails in view of the investigations by the CBI.
15. Since the officials of the Company including the undersigned were engaged with the investigating agencies no reply could be submitted to the queries raised by the regulators over media speculations pertaining to the company.
16. Since the investigation is now being undertaken by the CBI and the ED it will be prudent to wait for the outcome of the investigations by the said agencies.
17. The regulators will appreciate that the postponement of the results and non submission of disclosure was unintentional and solely on account of the aforesaid events and absence of any guidance from the senior management which events were beyond the control of the undersigned.

18. The undersigned assures the regulators to extend all cooperation and request the regulators to take a note of the aforesaid events and oblige.

**Best Regards**  
**Pankhuri Warange**

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