



May 30, 2017

To,
The Manager- Listing
The National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400051

Ref.: NSE SYMBOL: GOENKA

Sub: Outcome of the Board Meeting

Dear Sirs,

The Board of Directors at the meeting held on today, May 30, 2017, inter-alia transacted the following business:

- 1) Approved the Audited Standalone and consolidated financial results of the Company, along with the auditors' report thereon for the quarter and year ended March 31, 2017.
- 2) Approved re-classification of Ms. Dhriti Singhvi from Promoter Category to Public Category, subject to approval of Stock Exchanges and other regulatory authority(s), if applicable.

The Board Meeting commenced at 3:00 P.M. (IST) and concluded at 6:55 P.M. (IST) on the same day.

This is for your information and record.

Thanking you,

Yours faithfully,

For **GOENKA DIAMOND & JEWELS LIMITED**

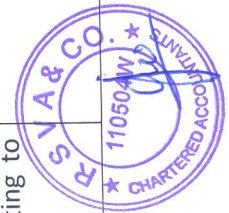

KUNDAN TANAWADE
COMPANY SECRETARY

GOENKA DIAMOND AND JEWELS LIMITED

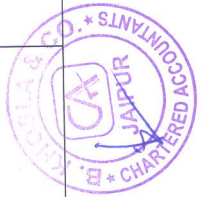
Corp. Off.: 1305, Panchratna, Opera House, Mumbai 400 004, India Tel.: (022) 2361 3102, 2362 0222 Fax : (022) 2367 6020
Regd. Off.: 401, Panchratna, M.S.B. Ka Rasta, Johari Bazar, Jaipur 302 003, India Tel.: (0141) 2574175 Fax : (0141) 2573305
e-mail : accounts@goenkadiamonds.com Website : www.goenkadiamonds.com CIN : L36911RJ1990PLC005651

Standalone Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results

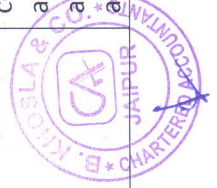
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 of Goenka Diamond & Jewels Limited [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2017 (Rs. in Lakh)]				
I. Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (audited figures after adjusting for qualifications)	
1.	Turnover / Total Income	394.90	394.90	394.90
2.	Total Expenditure	674.10	674.10	5,432.43
3.	Net Profit/(Loss)	-279.21	-279.21	-5,037.54
4.	Earnings Per Share	(0.20)	(0.20)	(1.59)
5.	Total Assets	76,525.47	76,525.47	77,260.50
6.	Total Liabilities	50,049.83	50,049.83	52,803.55
7.	Net Worth	26,475.65	26,475.65	24,456.96
8.	Any other financial item(s) (as felt appropriate by the management)	NIL	NIL	NIL
Type of Audit Qualification		Comments in Auditors Report		Management Reply
Basis of Qualified Conclusions Frequency of Qualification: Appearing for Second time		The company has not reported following monetary items denominated in foreign currency as at year-end using the closing rate and has been carried forward at the rate as at 31st March 2015 and / or 31st March 2016, which is not in accordance with Accounting Standard 11 "Effects of changes in foreign exchange rates" i) Trade Receivables outstanding amounting to Rs. 698,06,98,626/-. ii) Advance given to a subsidiary amounting to Rs. 59,78,485/-. iii) Trade Payables outstanding amounting to Rs. 297,12,78,902/-.		It was deemed prudent not to take cognizance of unrealized exchange difference on notional basis due to uncertainties with regard to expected time frame for realization of Trade Receivables and advances; and payment to trade payables. The company shall account for the actual exchange difference at the time of realization of these trade receivables.



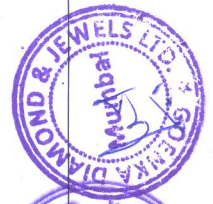
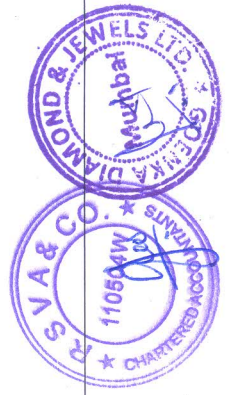
Frequency of Qualification: Appearing for First time	Accordingly, the Trade Receivables and Advances are understated by Rs.7,33,59,120/- and Rs.144,155/- respectively and Trade Payables are overstated by Rs.3,28,29,113/- resulting in cumulative understatement of Loss due to exchange differences by Rs.10,63,32,388/-and understatement of exchange loss for the year , by Rs.16,76,31,547/-.	
Frequency of Qualification: Appearing for First time	The defaults of the Company the Banks have classified the Company's account as Non-performing Asset. These banks have not charged interest or have been charging interest at higher rates. During the year under review no provision has been made for such interest. Accordingly, finance cost and current liabilities is under stated by Rs.30,82,00,689/-. Had these exchange differences been provided for the year and the Interest been accounted for, the loss after tax for the year would have been increased by Rs.47,58,32,236/- and Reserves and Surplus is cumulatively overstated by Rs.20,18,68,301/- as at the year end.	As the promoters of the Company have approached consortium banks with proposal for settlement of entire dues, envisaging part-payment of principal amount only against working capital loan dues, the Board have decided not to provide Interest on working capital borrowings availed by the Company.



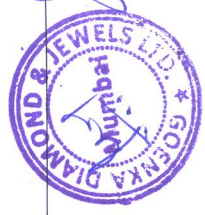
Basis of Disclaimer of Opinion Frequency of Qualification: Appeared earlier in FY 2013-14, FY 2014-15 and FY 2015-16	Trade Receivables amounting to Rs.698,81,90,359/- includes Rs. 698,55,43,180/- outstanding of more than six months from due date. There have been defaults on payment obligations by the debtors on due date and recoveries from these debtors are not significant. Further, no confirmations have been received / obtained from the Trade Receivables. In view of the above we are unable to comment on the time-frame of the realisability of these debts and any provision to be made for un-realisation in the carrying amount of these balances and the consequent impact on the financial statements.	Regarding auditors observations relating to outstanding Trade Receivables, dispute amongst promoters, non-availability of finance due to recall of loans by banks in consortium, legal actions initiated by Banks, overall substantial decrease in volume of business and sales, non-payment of statutory dues and taxes, non-payment to creditors, defaults in repayment of loans and interest, non realization of interest on loans from subsidiaries and unable to conclude on ability of the company to carry on as a going concern The management is of the view that due to certain unfavorable development in earlier periods on account of disputes amongst promoters, the recovery from trade receivables are slow but at the same time management is hopeful that these trade receivables are good and recoverable. The Company is taking all possible efforts to recover old trade receivables and had initiated legal action where ever considered necessary the company has also filed court cases in certain cases. 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 taxes, creditors, loans and interest, interest on loans from subsidiaries.
Frequency of Qualification: Appearing for Second time	The Company's operating results have been materially affected due to various factors including non-realization of debtors, erstwhile dispute amongst promoters, non-availability of finance due to recall of loans by banks in consortium, legal actions initiated by Banks, overall substantial decrease in volume of business and sales, non-payment of statutory dues and taxes, non-payment to creditors, defaults in repayment of loans and interest, non realization of interest on loans from subsidiaries. These events cause significant doubts on the ability of the company to continue as a going concern. The appropriateness of the going concern assumption is dependent on the company's ability to raise adequate finance from	The Company is taking steps to revive its business operations and has approached

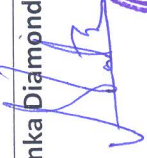


	alternative means and / or recoveries from overseas debtors to meet its short term and long term obligations as well as to establish consistent business operations. In absence of any convincing audit evidence, non recovery of trade receivable on due date, non-payment of liabilities including trade payables and statutory dues, financial difficulty faced by the company due to recalling of the bank finance facilities and in view of multiple uncertainties as stated above we are unable to determine the possible effect on the financial statements. We are also unable to conclude on ability of the company to carry on as a going concern.	consortium bankers for restructuring of its loans and approached the banks for one time settlement also. Quantification: Since the management hopes to recover all the dues from debtors, no quantification for provision for bad debts is required.	
Frequency of Qualification: Appearing for Second time	Because of the significance of the matters described in the basis of disclaimer of opinion paragraph, specifically relating to multiple uncertainties created due to factors such as non recovery of trade receivables on due dates, non-payment of liabilities including trade payables and statutory dues, financial difficulties faced by company due to recalling of bank finance and initiation of legal action by banks, it is not possible to form an opinion on the financial statements due to the potential interaction of the uncertainties and their possible cumulative effect on the financial statements. Accordingly, we do not express an opinion on the financial statements.	Auditors have not expressed an opinion on the financial statements due to the reasons has mentioned in the auditors comments	



Emphasis of Matter			
Frequency of Qualification: Since 2011-12	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.	Management has properly valued the inventory based on determination of estimated net realizable value and specific identification.	
Frequency of Qualification: Appearing for Second time	Two banks having outstanding dues of Rs. 21,61,71,267/- have neither issued bank statements nor confirmed balance outstanding as at year-end. However, the management has confirmed that all transactions have been recorded in the books of accounts. Further balances of Trade Receivables, Trade Payables and Current Assets and Liabilities are subject to confirmations and consequential adjustment thereof.	The management in its best judgment and as a matter of prudence believes that all the transactions have been recorded in the books of accounts.	
Frequency of Qualification: Appearing for Second time	The company has made investment of Rs. 203,190/- and has given advance of Rs.59,78,485/- to its subsidiary namely M.B. Diamonds LLC whose net-worth is negative against which no provision has been made as the management is of the view that the investment is long term in nature and the subsidiary has substantial business value	The management is of the view that the investment is in the nature of long term investment and the diminution in value is of temporary in nature. The management is confident that the subsidiary shall revive its operations in near future and therefore no provision is required against such investment and advances.	
Frequency of Qualification: Appearing for First time	The has invested in Optionally Convertible Debentures (OCD) of Rs. 490,00,000/- in an entity whose net worth has been considerably eroded against which no provision has been made as the management is of the view that the entity wherein the company has made investment in the OCD has substantial	In case of investment in OCDs, the management is of the view that the entity has substantial business value to generate cash flow for redemption of OCDs.	



	business value.	
To be signed by For Goenka Diamond & Jewels Ltd.  Nandlal Goenka CEO / Chairman DIN : 00125281 	For Goenka Diamond & Jewels Ltd.  Navneet Goenka MD & CFO DIN : 00164428  For B Khosla & Co. ICAI Firm Regn. No. 000205C  Sandeep Mundra Partner Membership No.: 75482 	For Goenka Diamond & Jewels Ltd.  Kevin Shah Chairman Audit Committee DIN : 07027089 For RSVA & Co. ICAI Firm Regn. No. 110504W  B. N. Rao Partner Membership No.: 039555 

Consolidated Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 of Goenka Diamond & Jewels Limited [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2017 (Rs. in Lakh)]			
Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total Income	369.75	369.75
2.	Total Expenditure	1,575.58	6,329.15
3.	Net Profit/(Loss)	-1,205.83	-5,959.40
4.	Earnings Per Share	(0.50)	(1.88)
5.	Total Assets	81,628.68	82,359.77
6.	Total Liabilities	55,253.23	58,006.95
7.	Net Worth	26,375.44	24,352.81
8.	Any other financial item(s) (as felt appropriate by the management)	NIL	NIL
Type of Audit Qualification		Comments in Auditors Report	Management Reply
Basis of Qualified Conclusions			
Frequency of Qualification: Appearing for Second time		Trade Receivables and Trade Payables denominated in foreign currency outstanding as at the year-end amounting to Rs.697,03,17,582/- and Rs.297,12,78,902/- respectively have not been restated at the year-end using the closing rate and has been carried forward at the rate as at 31 st March 2015 and / or 31 st March 2016, which is not in accordance with Accounting Standard 11 "Effects of changes in foreign exchange rates". Accordingly, the Trade Receivables are understated by Rs.7,31,08,811 /- and Trade Payables are overstated by Rs. 3,28,29,113 /- resulting in cumulative understatement of loss due to exchange differences by Rs. 4,02,79,728 /-.	It was deemed prudent not to take cognizance of unrealized exchange difference on notional basis due to uncertainties with regard to expected time frame for realization of Trade Receivables and advances; and payment to trade payables. The company shall account for the actual exchange difference at the time of realization of these trade receivables



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	Rs.10,59,37,924/-and understatement of exchange loss for the year by Rs.16,71,55,849/-.	
Frequency of Qualification: Appearing for First time	(ii)The defaults of the Holding Company the Banks have classified the Holding Company's account as Non-performing Asset. These banks have not charged interest or have been charging interest at higher rates. During the year under review no provision has been made for such interest. Accordingly, finance cost and current liabilities is under stated by Rs.30,82,00,689/-	As the promoters of the Company have approached consortium banks with proposal for settlement of entire dues, envisaging part-payment of principal amount against working capital loan dues, the Board have decided not to provide interest on working capital borrowings availed by the Company
Basis of Disclaimer of Opinion		
Frequency of Qualification: Appeared earlier in FY 2013-14, FY 2014-15 and FY 2015-16	(i) Trade Receivables amounting to Rs.749,68,42,330/- includes Rs.749,41,95,151/- outstanding of more than six months from due date. There have been defaults on payment obligations by the debtors on due date and recoveries from these debtors are not significant. Further, no confirmations have been received / obtained from the Trade Receivables. In view of the	Regarding auditors observations relating to outstanding Trade Receivables, dispute amongst promoters, non-availability of finance due to recall of loans by banks in consortium, legal actions initiated by Banks, overall substantial decrease in volume of business and sales, non-payment of statutory dues and taxes, non-payment to creditors, defaults in repayment of loans and interest,



	above we are unable to comment on the time-frame of the realisability of these debts and any provision to be made for un-realisability in the carrying amount of these balances and the consequent impact on the financial statements.
Frequency of Qualification: Appearing for Second time	The Group's operating results have been materially affected due to various factors including non-realization of debtors, erstwhile dispute amongst promoters, non-availability of finance due to recall of loans by banks in consortium, legal actions initiated by Banks, overall substantial decrease in volume of business and sales, non-payment of statutory dues and taxes, non-payment to creditors, defaults in repayment of loans and interest. These events cause significant doubts on the ability of the group to continue as a going concern. The appropriateness of the going concern assumption is dependent on the group's ability to raise adequate finance from alternative means and / or recoveries from overseas debtors to meet its short term and long term obligations as well as to establish consistent business operations. In absence of any convincing audit evidence, non recovery of trade receivable on due date, non-payment of liabilities including trade payables and statutory dues, financial difficulty faced by the Group due to recalling of the bank finance facilities and in view of multiple uncertainties as stated above we are unable to determine the possible effect on the
	non realization of interest on loans from subsidiaries and unable to conclude on ability of the company to carry on as a going concern The management is of the view that due to certain unfavorable development in earlier periods on account of disputes amongst promoters, the recovery from trade receivables are slow but at the same time management is hopeful that these trade receivables are good and recoverable. The Company is taking all possible efforts to recover old trade receivables and had initiated legal action where ever considered necessary the company has also filed court cases in certain cases. 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 taxes, creditors, loans and interest, interest on loans from subsidiaries. The Company is taking steps to revive its business operations and has approached consortium bankers for restructuring of its loans and approached the banks for one time settlement also. Quantification : Since the management hopes to recover all the dues from debtors, no quantification for provision for bad debts is required.



	consolidated financial statements. We are also unable to conclude on ability of the Group to carry on as a going concern.	
Frequency of Qualification: Appearing for Second time	Because of the significance of the matters described in the basis of disclaimer of opinion paragraph, specifically relating to multiple uncertainties created due to factors such as non recovery of trade receivables on due dates, non-payment of liabilities including trade payables and statutory dues, financial difficulties faced by Group due to recalling of bank finance and initiation of legal action by banks, it is not possible to form an opinion on the consolidated financial statements due to the potential interaction of the uncertainties and their possible cumulative effect on the consolidated financial statements. Accordingly, we do not express an opinion on the consolidated financial statements.	Auditors have not expressed an opinion on the financial statements due to the reasons has mentioned in the auditors comments
Emphasis of Matter		
Frequency of Qualification: Since 2011-12	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:	Management has properly valued the inventory based on determination of estimated net realizable value and specific identification.
Frequency of Qualification: Appearing for Second time	Two banks having outstanding dues of Rs. 21,61,71,267/- have neither issued bank statements nor confirmed balance outstanding as at year-end in case of the Holding company.	The management in its best judgment and as a matter of prudence believes that all the transactions have been recorded in the books of accounts.

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	However, the management has confirmed that all transactions have been recorded in the books of accounts. Further balances of Trade Receivables, Trade Payables and Current Assets and Liabilities are subject to confirmations and consequential adjustment thereof.	
Frequency of Qualification: Appearing for First time	The company has invested in Optionally Convertible Debentures (OCD) of Rs.490,00,000/- in an entity whose net worth has been considerably eroded.	In case of investment in OCDs, the management is of the view that the entity has substantial business value to generate cash flow for redemption of OCDs.
To be signed by For Goenka Diamond & Jewels Ltd.	For Goenka Diamond & Jewels Ltd.	For Goenka Diamond & Jewels Ltd.
<i>[Signature]</i> Nandlal Goenka CEO / Chairman DIN : 00125281 	<i>[Signature]</i> Navneet Goenka MD & CFO DIN : 00164428 	<i>[Signature]</i> Kevin Shah Chairman Audit Committee DIN : 07027089
	For B Khosla & Co. ICAI Firm Regn. No. 000205C <i>[Signature]</i> Sandeep Mundra Partner  Membership No.: 75482	For RSVA & Co. ICAI Firm Regn. No. 110504W <i>[Signature]</i> B. N. Rao Partner  Membership No.: 039555

[Signature]



GOENKA DIAMOND AND JEWELS LIMITED

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

CIN No.L36911RJ1990PLC005651

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED MARCH 31, 2017

(₹ in Lacs)

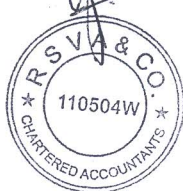
SR. NO.	PARTICULAR	STANDALONE			STANDALONE		CONSOLIDATED	
		3 Month Ended March 31, 2017	3 Month Ended Dec 31, 2016	3 Month Ended March 31, 2016	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2017	Year Ended March 31, 2016
		Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
1	Revenue							
	(a) Revenue from Operations	32.10	22.52	1,492.47	283.24	9,144.93	309.16	9,159.66
	(b) Other Income	33.76	96.54	39.54	225.94	166.55	146.35	75.77
	(c) Exchange Gain (Loss) (Net) - (ref to note no.5(a))	726.42	(580.10)	(3,189.23)	(114.29)	(1,212.03)	(85.77)	(1,241.86)
	Total Income from operations	792.28	(461.05)	(1,657.22)	394.90	8,099.45	369.75	7,993.58
2	Expenses							
	(a) Cost of materials consumed	28.20	-	1,179.97	(381.06)	8,095.37	(381.06)	8,095.37
	(b) Purchases of stock-in-trade	-	-	-	-	-	-	-
	(c) Change in Inventories of finished goods, work-in-progress and stock-in-trade	14.74	25.54	188.56	697.27	518.29	1,560.79	1,158.94
	(d) Employee benefits expenses	25.88	27.28	27.71	114.92	129.94	123.53	141.49
	(e) Finance costs - (Refer Note No. 5(b))	39.95	16.75	640.70	77.65	2,295.89	77.90	2,296.05
	(f) Depreciation and amortisation expenses	14.65	14.65	15.38	58.60	61.53	59.64	62.58
	(g) Other expenses	23.89	27.61	36.97	106.72	161.16	134.78	1,657.16
	Total Expenses	147.31	111.83	2,089.29	674.10	11,262.18	1,575.58	13,411.58
3	Profit / (Loss) ordinary activities before tax and exceptional items (1-2)	644.96	(572.88)	(3,746.51)	(279.21)	(3,162.73)	(1,205.83)	(5,418.01)
4	Exceptional items	-	-	-	-	-	-	-
5	Profit / (Loss) from ordinary activities before tax (3-4)	644.96	(572.88)	(3,746.51)	(279.21)	(3,162.73)	(1,205.83)	(5,418.01)
6	Income Tax							
	Current Tax	-	-	(127.67)	-	-	-	-
	MAT Credit Entitlement (Refer Note no.7)	341.48	-	107.75	341.48	-	361.48	-
	Deferred Tax	15.11	0.77	2.56	21.39	59.28	21.39	59.28
	Total tax expenses	356.60	0.77	(17.36)	362.88	59.28	382.88	59.28
7	Net Profit / (Loss) after tax (5-6)	288.37	(573.65)	(3,729.15)	(642.08)	(3,222.01)	(1,588.71)	(5,477.29)
8	Extra Ordinary Items (Net of Tax Expenses)	-	-	-	-	-	-	-
9	Net Profit / (Loss) for the period	288.37	(573.65)	(3,729.15)	(642.08)	(3,222.01)	(1,588.71)	(5,477.29)
10	Minority Interest	-	-	-	-	-	0.26	(4.29)
14	Net Profit / (Loss) after taxes and minority interest (9-10)	288.37	(573.65)	(3,729.15)	(642.08)	(3,222.01)	(1,588.44)	(5,481.58)
15	Paid-up Equity Share Capital (Face Value per Share of Re. 1/-)	3,170.00	3,170.00	3,170.00	3,170.00	3,170.00	3,170.00	3,170.00
16	Reserve (Excluding Revaluation Reserve)	-	-	-	23,305.65	23,991.27	23,205.44	24,821.41
17	Earning Per Shares in ₹1. (Not Annualized)							
	Basic	0.09	(0.18)	(1.18)	(0.20)	(1.02)	(0.50)	(1.73)
	Diluted	0.09	(0.18)	(1.18)	(0.20)	(1.02)	(0.50)	(1.73)

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 May 30, 2017.
- Out of the total public issue proceeds of Rs.12651 Lacs, Company has upto March 31, 2017 utilised Rs.12574 Lacs towards object of the issue as interse 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.
- All consortium banks including lead bank have issued notice u/s 13(2) of the SARFAESI Act for recall of loans to the Company. The Company has submitted One Time Settlement (OTS) Proposals to all eight consortium banks. The OTS proposals are under consideration with these banks.
- The auditors in their report on financial statement for the year ended March 31, 2017 have given disclaimer of opinion on the basis of observations relating to slow recovery from Trade Receivables, non-restatement of Trade Receivables, Trade Payable and Advances, non-confirmations from Trade receivables and trade payables, recall of loans and SARFAESI notices by banks and legal action initiated by Banks, erstwhile disputes amongst promoters and other factual position regarding business relating to liquidity crunch, decrease in sales, overdue creditors, non-payment of statutory dues, defaults in repayment of loans and interest to banks, non realisation of interest on loans from subsidiary etc., which cast doubts on the ability of the Company to continue as going concern. The management is of the view that due to certain unfavourable developments and sluggish market in earlier periods, the recovery from trade receivables are slow and there is a temporary mismatch in the cash flow resulting in default in payment to creditors; repayment of statutory dues and dues to banks owing to which banks have classified the account as NPA and recalled their loans. The management is hopeful that these old trade receivables shall be recovered as the company has initiated legal action by way of sending legal notices and filing court cases. The company has filed legal suits in Mumbai High Court against three debtors and is in process of filing legal suits against other debtors, wherever considered necessary. Further, the management is taking all possible steps to revive the business operations and has approached consortium bankers for one time settlement of entire loan dues and assumes that Company will have adequate cash flow from export realisation to defray its entire debt obligation and payment to creditors in phased manner. At the same time, management is hopeful that it will be able to raise adequate finance from internal accruals and alternate means to meet its short term and long term obligations. Hence, the accounts of the Company are prepared on going concern basis.
- (a) Trade Receivables denominated in foreign currency and advance given to a subsidiary have not been restated based on exchange rate as at the end of the period under review. These Trade Receivables and Advances have been carried forward based on exchange rate as at the end of March 31, 2015 and / or as at end of March 31, 2016, as it is deemed prudent not to take cognizance of unrealised exchange difference on notional basis due to uncertainties with regard to expected time frame for realisation of Trade Receivables and advances. The company shall account for the actual exchange difference at the time of realization of these trade receivables and advances. Had trade receivables and advances been restated, it would have resulted in exchange loss of Rs. 3795.91 Lacs in standalone results for the quarter end and exchange loss of Rs.2004.61 lacs in standalone financial results and Rs. 1999.85 Lacs in consolidated financial results for the year under review. Till date exchange gain of Rs.735.03 lacs in standalone financial results and Rs. 731.09 in consolidated financial results have not been accounted for on these trade receivable and advances.

During the quarter the company has decided not to restate Trade Payables denominated in foreign currency at the exchange rate as at the end of the period/year under review. These trade payables have been carried forward based on exchange rate as at the end of March 31, 2016 and consequently the exchange difference loss provided upto the end of preceding quarter amounting to Rs 726.46 lacs has been reversed during the quarter. Due to uncertainty with regard to expected time frame for realisation of trade receivables, the company is uncertain about its ability and time frame for payment to these trade creditors and therefore the management has decided not to take cognizance of unrealized exchange difference on these trade payables on notional basis. The company shall account for the actual exchange difference at the time of payment of these trade payables. Had trade payables been restated, it would have resulted in exchange gain of Rs 1054.75 lacs for the quarter and exchange difference gain of Rs.328.29 lacs in standalone and consolidated financial results for the year under review.
- (b) As the promoters of the Company have approached consortium banks with proposal for settlement of entire dues, envisaging part-payment of principal amount against working capital loan dues, the Board have decided not to provide Interest on working capital borrowings availed by the Company. To the extent information available with the Company, certain banks have charged Interest amounting to Rs.1169.48 lacs during the year under review which is not considered by the Company. Had the interest been provided at respective bank rate as applicable on the outstanding amounts, the finance cost for the quarter & year under review would have been higher by Rs. 726.20 Lacs and Rs.3082.01 lacs respectively in standalone and consolidated financial results. Further, no confirmations and/or bank statements have been received from two banks for borrowings amounting to Rs.2161.71 lacs at period end. However, the management to the best of its knowledge and belief have recorded all the transactions incurred during the period in these bank accounts.
- (c) Had the exchange gains (loss) as referred in para 5(a) above and interest in para 5(b) above been accounted for, the loss for the quarter ended would have been increased by Rs 3467.36 lacs in standalone financial results and loss for the year ended would have been increased by Rs. 4758.33 lacs in standalone financial results and by Rs. 4753.57 lacs in consolidated financial results.
- With regard to auditors observation regarding provision against investment Rs. 2.03 Lacs and advance of Rs. 59.78 lacs to one of the subsidiary namely M B Diamonds LLC and investment in optionally convertible debentures of Rs 490 Lacs in an entity, the management is of the view that the investment in subsidiary is in the nature of long term investment and the diminution in value is of temporary in nature. In case of investment in OCDs, the management is of the view that the entity has substantial business value.
- Mat credit entitlement denotes reversal of MAT credit entitlements amounting to Rs 341.48 lacs in standalone financial results and Rs.361.48 lacs in consolidated financial results accounted for in earlier years. The management is of the view that it is prudent not to account for such assets in view of uncertainty that such assets shall be realized in near future.
- Previous period / year figures have been regrouped / restated / rearranged, wherever necessary

For Goenka Diamond And Jewels Ltd

Nandlal Goenka
ChairmanPlace : Mumbai
Date : May 30, 2017



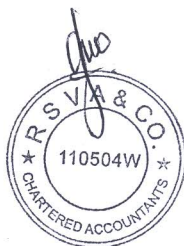
GOENKA DIAMOND AND JEWELS LIMITED

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

CIN No.L36911RJ1990PLC005651

AUDITED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER/ YEAR ENDED MARCH 31, 2017

Particulars	STANDALONE			STANDALONE		CONSOLIDATED	
	3 Month Ended March 31, 2017	3 Month Ended Dec 31, 2016	3 Month Ended March 31, 2016	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2017	Year Ended March 31, 2016
	Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
1. Segment Revenue							
(a) Diamond							
(b) Jewellery	27.08	22.25	1,362.38	231.07	8,493.74	256.99	8,508.47
(c) Unallocable	5.02	0.26	130.09	52.17	651.19	52.17	651.19
Total	32.11	22.50	1,492.47	283.24	9,144.93	309.16	9,159.66
2. Segment Results							
(a) Diamond							
(b) Jewellery	724.17	(366.60)	(2,951.97)	56.07	(1,087.05)	43.13	(1,139.74)
(c) Unallocable	(30.55)	(245.27)	(131.96)	(292.38)	253.68	(1,244.74)	(1,959.23)
Total	693.61	(611.87)	(3,083.93)	(236.32)	(833.37)	(1,201.61)	(3,098.97)
Less: (i) Interest							
(ii) Other Income	(39.95)	(16.75)	(640.70)	(77.65)	(2,295.89)	(77.65)	(2,295.89)
(iii) Unallocable Expenses / Income	33.77	96.53	39.54	209.95	166.55	209.95	166.55
Total Profit Before Tax	644.96	(572.88)	(3,746.51)	(279.21)	(3,162.73)	(1,205.83)	(5,418.01)
3. Segment Assets							
(a) Diamond							
(b) Jewellery	65,899.22	65,924.14	66,042.44	65,899.22	66,042.44	71,003.26	71,823.49
(c) Unallocable	8,246.21	8,290.11	8,582.52	8,246.21	8,582.52	8,245.37	8,975.54
Total	76,525.47	77,242.39	77,512.75	76,525.47	77,512.75	81,628.68	83,686.82
4. Segment Liabilities							
(a) Diamond							
(b) Jewellery	29,982.08	30,703.61	29,984.60	29,982.08	29,984.60	35,180.73	35,322.91
(c) Unallocable	392.46	402.33	401.31	392.46	401.31	397.21	406.92
Total	46,150.94	46,136.45	47,126.84	46,150.94	47,126.84	46,050.74	47,956.99





GOENKA DIAMOND AND JEWELS LIMITED

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

CIN No.L36911RJ1990PLC005651

AUDITED STANDALONE AND CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS ON MARCH 31, 2017

Particulars	(₹ in Lacs)		(₹ in Lacs)	
	STANDALONE		CONSOLIDATED	
	As at 31/03/2017	As at 31/03/2016	As at 31/03/2017	As at 31/03/2016
	Audited	Audited	Audited	Audited
(A) EQUITY AND LIABILITIES				
(1) Shareholder's funds				
(a) Share Capital				
(b) Reserve and Surplus	3,170.00	3,170.00	3,170.00	3,170.00
(c) Money received against share warrants	23,305.65	23,991.27	23,205.44	24,821.41
Sub total - Shareholder's fund				
	26,475.65	27,161.27	26,375.44	27,991.41
(2) Minority Interest				
(3) Non-current liabilities				
(a) Long-term borrowings	-	-	8.20	8.46
(b) Deferred tax liabilities (net)	-	257.38	-	257.38
(c) Other long-term liabilities	-	-	-	-
(d) Long-term provisions	-	-	-	-
Sub total - Non-current liabilities	45.69	45.69	45.69	45.69
(4) Current liabilities				
(a) Short-term borrowings				
(b) Trade payable	-	4,006.83	251.78	4,266.90
a) Total outstanding dues of MSME				
b) Total outstanding dues of creditors other than MSME				
(c) Other current liabilities	30,345.98	30,359.86	35,620.04	35,771.67
(d) Short-term provisions	19,286.44	15,342.96	18,952.60	15,008.01
Sub total - Current liabilities	371.73	338.76	374.93	337.30
TOTAL - EQUITY AND LIABILITIES	50,004.14	50,048.43	55,199.35	55,383.88
	76,525.47	77,512.76	81,628.68	83,686.82
(B) ASSETS				
(1) Non-current assets				
(a) Fixed assets				
(b) Non-current investments	916.53	975.13	926.41	1,001.33
(c) Deferred tax assets (net)	19.48	19.48	-	-
(d) Long-term loans & advances	41.55	62.94	41.55	62.94
(e) Other non-current assets	1,273.12	1,658.40	23.52	385.26
Sub total - Non-current assets				
	2,250.68	2,715.96	991.48	1,449.54
(2) Current assets				
(a) Current investment				
(b) Inventories	490.00	490.00	490.00	490.00
(c) Trade receivable	3,384.97	3,688.21	5,051.76	6,218.52
(d) Cash and cash equivalents	69,881.90	69,923.30	74,968.42	75,135.29
(e) Short-term loans & advances	75.28	123.06	76.13	125.55
(f) Other current assets	87.92	110.85	36.48	57.93
Sub total - Current assets	354.72	461.37	14.39	209.99
TOTAL - ASSETS	74,274.80	74,796.80	80,637.19	82,237.28
	76,525.47	77,512.76	81,628.68	83,686.82



**Auditor's Report on Annual Standalone Financial Results of the Company Pursuant to
Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,
2015**

To
The Board of Directors
Goenka Diamonds and Jewels Limited

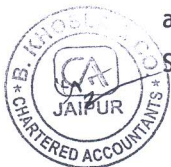
1. We have audited the accompanying Statement of Annual Standalone Financial Results of Goenka Diamonds and Jewels Limited ('the Company') for the year ended March 31, 2017 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. This Statement has been prepared on the basis of the annual financial statements. Our responsibility is to express an opinion on this Statement, based on our audit of such annual financial statements, which have been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Account) Rules, 2014 and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statement is free of material misstatement. An audit includes examining, on test check basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by the management. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, it is not possible to form an opinion on the Financial Statements due to the potential interaction of the uncertainties and their possible cumulative effect on the financial statements.

3. Basis of Qualified Conclusions

a. The company has not reported following monetary items denominated in foreign currency as at year-end using the closing rate and has been carried forward at the rate as at 31st March 2015 and / or 31st March 2016, which is not in accordance with Accounting Standard 11 "Effects of changes in foreign exchange rates"

- i) Trade Receivables outstanding amounting to Rs. 698,06,98,626/-.
- ii) Advance given to a subsidiary amounting to Rs.59,78,485/- .
- iii) Trade Payables outstanding amounting to Rs. 297,12,78,902/-.

Accordingly, the Trade Receivables and Advances are understated by Rs.7,33,59,120/- and Rs.144,155/- respectively and Trade Payables are overstated by Rs.3,28,29,113/- resulting in cumulative understatement of Loss due to exchange differences by Rs.10,63,32,388/- and understatement of exchange loss for the year by Rs.16,76,31,547/-.



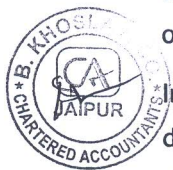
b. Due to the defaults of the Company the Banks have classified the Company's account as Non-performing Asset. These banks have not charged interest or have been charging interest at higher rates. During the year under review no provision has been made for such interest. Accordingly, finance cost and current liabilities is under stated by Rs.30,82,00,689/-.

Had these exchange differences been provided for the year and the Interest been accounted for, the loss after tax for the year would have been increased by Rs.47,58,32,236/- and Reserves and Surplus is cumulatively overstated by Rs.20,18,68,301/- as at the year end.

4. Basis for Disclaimer of Opinion

- a. Trade Receivables amounting to Rs.698,81,90,359/- includes Rs. 698,55,43,180/- outstanding of more than six months from due date. There have been defaults on payment obligations by the debtors on due date and recoveries from these debtors are not significant. Further, no confirmations have been received / obtained from the Trade Receivables. In view of the above we are unable to comment on the time-frame of the realisability of these debts and any provision to be made for un-realisaibility in the carrying amount of these balances and the consequent impact on the financial statements.
- b. The Company's operating results have been materially affected due to various factors including non-realization of debtors, erstwhile dispute amongst promoters, non-availability of finance due to recall of loans by banks in consortium, legal actions initiated by Banks, overall substantial decrease in volume of business and sales, non-payment of statutory dues and taxes, non-payment to creditors, defaults in repayment of loans and interest, non realization of interest on loans from subsidiaries. These events cause significant doubts on the ability of the company to continue as a going concern. The appropriateness of the going concern assumption is dependent on the company's ability to raise adequate finance from alternative means and / or recoveries from overseas debtors to meet its short term and long term obligations as well as to establish consistent business operations.

In absence of any convincing audit evidence, non recovery of trade receivable on due date, non-payment of liabilities including trade payables and statutory dues, financial difficulty faced by the company due to recalling of the bank finance facilities and in view of multiple uncertainties as stated above we are unable to determine the possible effect on the financial statements. We are also unable to conclude on ability of the company to carry on as a going concern.



5. Disclaimer of Opinion

Because of the significance of the matters described in the basis of disclaimer of opinion paragraph, specifically relating to multiple uncertainties created due to factors such as non recovery of trade receivables on due dates, non-payment of liabilities including trade

payables and statutory dues, financial difficulties faced by company due to recalling of bank finance and initiation of legal action by banks, it is not possible to form an opinion on the financial statements due to the potential interaction of the uncertainties and their possible cumulative effect on the financial statements. Accordingly, we do not express an opinion on the financial statements.

6. Emphasis of Matter

- 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. Two banks having outstanding dues of Rs. 21,61,71,267/- have neither issued bank statements nor confirmed balance outstanding as at year-end. However, the management has confirmed that all transactions have been recorded in the books of accounts. Further balances of Trade Receivables, Trade Payables and Current Assets and Liabilities are subject to confirmations and consequential adjustment thereof.
 - c. The company has made investment of Rs. 203,190/- and has given advance of Rs.59,78,485/- to its subsidiary namely M.B. Diamonds LLC whose net-worth is negative and has invested in Optionally Convertible Debentures (OCD) of Rs. 490,00,000/- in an entity whose net worth has been considerably eroded. No provision against these investments and advance has been made as the management is of the view that the investment in subsidiary is long term in nature and the entity wherein the company has made investment in the OCD has substantial business value.
7. The Statement is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and includes the results for the Quarter ended March 31, 2017, being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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


Sandeep Mundra
Partner
Membership No.: 75482



Mumbai
May 30, 2017

For RSVA & Co.
Chartered Accountants
ICAI Firm Regn. No. 110504W


B.N. Rao
Partner
Membership No.: 039555

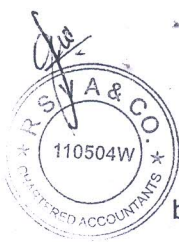


Mumbai
May 30, 2017

**Auditor's Report on Annual Consolidated Financial Results of the Company Pursuant to
Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To
The Board of Directors
Goenka Diamond and Jewels Limited

1. We have audited the accompanying Statement of Annual Consolidated Financial Results of Goenka Diamond and Jewels Limited (hereinafter referred to as 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), for the year ended March 31, 2017 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. This Statement has been prepared on the basis of the annual consolidated financial statements. Our responsibility is to express an opinion on this Statement, based on our audit of such annual consolidated financial statements, which have been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Account) Rules, 2014 and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on test check basis, evidence supporting the amount disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by the management. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, it is not possible to form an opinion on the Consolidated Financial Statements due to the potential interaction of the uncertainties and their possible cumulative effect on the consolidated financial statements.
3. **Basis of Qualified Conclusion**
 - a. Trade Receivables and Trade Payables denominated in foreign currency outstanding as at the year-end amounting to Rs.697,03,17,582/- and Rs.297,12,78,902/- respectively have not been restated at the year-end using the closing rate and has been carried forward at the rate as at 31st March 2015 and / or 31st March 2016, which is not in accordance with Accounting Standard 11 "Effects of changes in foreign exchange rates". Accordingly, the Trade Receivables are understated by Rs.7,31,08,811 /- and Trade Payables are overstated by Rs. 3,28,29,113 /- resulting in cumulative understatement of Loss due to exchange differences by Rs.10,59,37,924/-and understatement of exchange loss for the year by Rs.16,71,55,849/-.
 - b. Due to the defaults of the Holding Company the Banks have classified the Holding Company's account as Non-performing Asset. These banks have not charged interest



or have been charging interest at higher rates. During the year under review no provision has been made for such interest. Accordingly, finance cost and current liabilities is under stated by Rs.30,82,00,689/-

Had these exchange differences been provided for the year and the Interest been accounted for, the loss after tax for the year would have been increased by Rs.47,53,56,538/- and Reserves and Surplus is cumulatively overstated by Rs.20,22,62,765/- as at the year end.

4. Basis of Disclaimer of Opinion

- A. Trade Receivables amounting to Rs.749,68,42,330/- includes Rs.749,41,95,151/- outstanding of more than six months from due date. There have been defaults on payment obligations by the debtors on due date and recoveries from these debtors are not significant. Further, no confirmations have been received / obtained from the Trade Receivables. In view of the above we are unable to comment on the time-frame of the realisability of these debts and any provision to be made for un-realisation in the carrying amount of these balances and the consequent impact on the financial statements.
- B. The Group's operating results have been materially affected due to various factors including non-realization of debtors, erstwhile dispute amongst promoters, non-availability of finance due to recall of loans by banks in consortium, legal actions initiated by Banks, overall substantial decrease in volume of business and sales, non-payment of statutory dues and taxes, non-payment to creditors, defaults in repayment of loans and interest. These events cause significant doubts on the ability of the group to continue as a going concern. The appropriateness of the going concern assumption is dependent on the group's ability to raise adequate finance from alternative means and / or recoveries from overseas debtors to meet its short term and long term obligations as well as to establish consistent business operations.

In absence of any convincing audit evidence, non recovery of trade receivable on due date, non-payment of liabilities including trade payables and statutory dues, financial difficulty faced by the Group due to recalling of the bank finance facilities and in view of multiple uncertainties as stated above we are unable to determine the possible effect on the consolidated financial statements. We are also unable to conclude on ability of the Group to carry on as a going concern.

5. Disclaimer of Opinion

Because of the significance of the matters described in the basis of disclaimer of opinion paragraph, specifically relating to multiple uncertainties created due to factors such as non recovery of trade receivables on due dates, non-payment of liabilities including trade payables and statutory dues, financial difficulties faced by Group due to recalling of bank finance and initiation of legal action by banks, it is not possible to form an opinion on the consolidated financial statements due to the potential interaction of the uncertainties and their possible cumulative effect on the consolidated financial statements. Accordingly, we do not express an opinion on the consolidated financial statements.



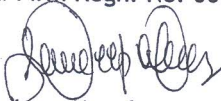
6. Emphasis of Matter

- 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. Two banks having outstanding dues of Rs. 21,61,71,267/- have neither issued bank statements nor confirmed balance outstanding as at year-end in case of the Holding company. However, the management has confirmed that all transactions have been recorded in the books of accounts. Further balances of Trade Receivables, Trade Payables and Current Assets and Liabilities are subject to confirmations and consequential adjustment thereof.
 - c. The company has invested in Optionally Convertible Debentures (OCD) of Rs.490,00,000/- in an entity whose net worth has been considerably eroded. No provision against these investments has been made as the management is of the view that the entity wherein the company has made investment in the OCD has substantial business value.
7. The accompanying consolidated financial results are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and includes annual financial results of the following entities:

Sr. No.	Name of the Entity	Relationship
1.	M.B. Diamonds LLC	Subsidiary
2.	Goenka Diamond and Jewels DMCC	Subsidiary
3.	Solitaire Diamond Exports	Subsidiary

8. We did not audit the financial results of three subsidiaries included in the Statement, whose financial results reflects, total assets of Rs. 68,87,39,838/-, total revenue of Rs. 35,61,504/- and total loss after tax of Rs.962,15,598/- for the year ended March 31, 2017 , as considered in the Statement. These financial statements have been audited by the other auditors whose reports have been furnished to us by the Management. Our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of other auditors.

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


Sandeep Mundra
Partner
Membership No.: 75482



Mumbai
May 30, 2017

For RSVA & Co.
Chartered Accountants
ICAI Firm Regn. No. 110504W


B.N. Rao
Partner
Membership No.: 039555



Mumbai
May 30, 2017