



Classic Diamonds (India) Ltd.

Corporate Identification Number (CIN)

L36900MH1986PLCO41541

| PART I STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2014 | | | | | | | (Rs. in Lacs) |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|----------------------------------|---------------|
| PARTICULARS | QUARTER | | | HALF YEAR | | YEAR | |
| | ENDED 30/09/2014 (UNAUDITED) | ENDED 30/06/2014 (UNAUDITED) | ENDED 30/09/2013 (UNAUDITED) | ENDED 30/09/2014 (UNAUDITED) | ENDED 30/09/2013 (UNAUDITED) | ENDED 31/03/2014 (AUDITED) | |
| 1. Net Sales / Income | | | | | | | |
| a) Sales (including exchange difference) | - | - | - | - | - | - | |
| b) Other Operating Income | 0.11 | - | 0.26 | 0.11 | 0.39 | 0.98 | |
| | 0.11 | - | 0.26 | 0.11 | 0.39 | 0.98 | |
| 2. Total Expenditure | | | | | | | |
| a) Cost of Material Consumed | - | - | - | - | - | - | |
| b) Purchase of Stock in Trade | - | - | - | - | - | - | |
| c) Changes in Inventories of finished goods / work in progress and stock in trade | - | - | - | - | - | - | |
| d) Employee benefit Expenses | 0.00 | - | - | 0.00 | - | 0.37 | |
| e) Depreciation | 18.25 | 18.26 | 57.02 | 36.51 | 114.57 | 228.60 | |
| f) Share of loss from Investment in Partnership Firm - M/s. Rup Diamonds | - | - | - | - | - | 296.13 | |
| g) Provision for doubtful debts | 28,103.37 | 1,474.86 | - | 29,578.23 | - | 5,615.47 | |
| h) Other expenses | 101.93 | 2.40 | 5.62 | 104.33 | 13.53 | 679.31 | |
| Total | 28,223.55 | 1,495.52 | 62.64 | 29,719.07 | 128.10 | 6,819.88 | |
| 3. Profit from Ordinary Operations before Other Income Interest & Exception Items (1 - 2) | (28,223.44) | (1,495.52) | (62.38) | (29,718.96) | (127.71) | (6,818.90) | |
| 4. Other Income | - | - | - | - | - | - | |
| 5. Profit before Interest & Exceptional Items (3 + 4) | (28,223.44) | (1,495.52) | (62.38) | (29,718.96) | (127.71) | (6,818.90) | |
| 6. Interest | 991.71 | 1,631.64 | 991.29 | 2,623.35 | 2,796.28 | 4,737.32 | |
| 7. Profit after Interest but before Exceptional Items (5-6) | (29,215.15) | (3,127.16) | (1,053.67) | (32,342.32) | (2,923.99) | (11,556.22) | |
| 8. Exceptional items | - | - | - | - | - | - | |
| 9. Profit from Ordinary Activities before Tax (7 - 8) | (29,215.15) | (3,127.16) | (1,053.67) | (32,342.32) | (2,923.99) | (11,556.22) | |
| 10. Tax Expense | | | | | | | |
| a) Provision for taxation | - | - | - | - | - | - | |
| b) Deferred tax credit reversed | - | - | - | - | - | - | |
| | - | - | - | - | - | - | |
| 11. Net Profit from Ordinary Activities After Tax (9 - 10) | (29,215.15) | (3,127.16) | (1,053.67) | (32,342.32) | (2,923.99) | (11,556.22) | |
| 12. Extraordinary Items (net of tax expense) | | | | | | | |
| - Prior period expense / (income) [net] | - | - | 1.22 | - | 31.63 | 31.63 | |
| - Loss on impairment of fixed asset | - | - | - | - | - | 307.02 | |
| - Unrecoverable deposits written off | - | - | - | - | - | - | |
| - Provision for diminution in carrying value of Investments | - | - | - | - | - | - | |
| 13. Net Profit for the Period (11-12) | (29,215.15) | (3,127.16) | (1,054.89) | (32,342.32) | (2,955.62) | (11,894.86) | |
| 14. Paid-up Equity Share Capital (Face Value of Rs.2/- Each) | 784.40 | 784.40 | 784.40 | 784.40 | 784.40 | 784.40 | |
| 15. Earning per share | | | | | | | |
| Basic earning per share | (74.49) | (7.97) | (2.69) | (82.46) | (7.54) | (30.33) | |
| Diluted earning per share (Not annualised) | (74.49) | (7.97) | (2.69) | (82.46) | (7.54) | (30.33) | |

Regd. Office:

701, Majestic Shopping Centre Premises Co-op Soc. Ltd., 144 J.S.S. Road, Girgaum, Mumbai 400 004. (India)

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Website : www.classicdiamondsindia.com



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| (Rs. in Lacs) | | | | | | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| PART - II SELECT INFORMATION FOR THE HALF YEAR ENDED 30 SEPTEMBER 2014 | | | | | | |
| Particulars of the Shareholding | | | | | | |
| | 30/09/2014 (UNAUDITED) | 30/06/2014 (UNAUDITED) | 30/09/2013 (UNAUDITED) | 30/09/2014 (UNAUDITED) | 30/09/2013 (UNAUDITED) | 31/03/2014 (AUDITED) |
| A. PARTICULARS OF SHAREHOLDING | | | | | | |
| 1. Public Share Holding | | | | | | |
| - Number of Shares | 14,419,095 | 14,419,095 | 14,419,095 | 14,419,095 | 14,419,095 | 14,419,095 |
| - Percentage of Shareholding | 36.76% | 36.76% | 36.76% | 36.76% | 36.76% | 36.76% |
| 2. Promoter and Promoter Group Shareholding | | | | | | |
| a) Pledged / Encumbered | | | | | | |
| - Number of Shares | 6,499,201 | 6,499,201 | 6,499,201 | 6,499,201 | 6,499,201 | 6,499,201 |
| - Percentage of Shareholding (as a % of the total shareholding of promoter and promoter group) | 26.21% | 26.21% | 26.21% | 26.21% | 26.21% | 26.21% |
| - Percentage of Shares (as a % of total share capital of the Company) | 16.57% | 16.57% | 16.57% | 16.57% | 16.57% | 16.57% |
| b) Non - Pledged / Encumbered | | | | | | |
| - Number of Shares | 18,301,704 | 18,301,704 | 18,301,704 | 18,301,704 | 18,301,704 | 18,301,704 |
| - Percentage of Shares (as a % of total shareholding of promoter and promoters group) | 73.79% | 73.79% | 73.79% | 73.79% | 73.79% | 73.79% |
| - Percentage of Shares (as a % of total share capital of the Company) | 46.66% | 46.66% | 46.66% | 46.66% | 46.66% | 46.66% |

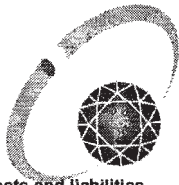
| PARTICULARS | 3 MONTHS ENDED 30.09.2014 |
|--|---------------------------|
| B. INVESTOR COMPLAINTS | |
| Pending at the beginning of the quarter | NIL |
| Received during the year | NIL |
| Disposed of during the quarter | NIL |
| Remaining unresolved at the end of the quarter | NIL |

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Statement of Assets and liabilities (Rs. in Lacs)

| Particulars | As at 30/09/2014 (UNAUDITED) | As at 31/03/2014 (AUDITED) |
|--------------------------------------|------------------------------------|----------------------------------|
| EQUITY AND LIABILITIES | | |
| Shareholders' funds | | |
| Share capital | 784.40 | 784.40 |
| Reserves and surplus | (48,757.38) | (16,408.58) |
| Total Shareholders Fund | (47,972.98) | (15,624.18) |
| Non-current liabilities | | |
| Long-term borrowings | - | - |
| Other long term liabilities | 351.77 | 351.77 |
| Long-term provisions | - | - |
| Total Non-current Liabilities | 351.77 | 351.77 |
| Current liabilities | | |
| Short-term borrowings | 31,447.54 | 31,447.54 |
| Trade payables | 2,441.87 | 2,445.06 |
| Other current liabilities | 14,498.88 | 11,812.86 |
| Short-term provisions | 1,419.01 | 1,418.94 |
| Total Current Liabilities | 49,807.10 | 47,124.40 |
| TOTAL EQUITY AND LIABILITIES | 2,185.89 | 31,851.99 |
| ASSETS | | |
| Non-current assets | | |
| Fixed assets | | |
| (i) Tangible assets | 1,990.42 | 2,033.43 |
| (ii) Capital work-in-progress | 146.50 | 146.50 |
| Non-current investments | - | - |
| Long-term loans and advances | 20.76 | 20.76 |
| Other non-current assets | 22.19 | 22.19 |
| Total Non-current Assets | 2,179.87 | 2,222.88 |
| Current assets | | |
| Inventories | - | 44.12 |
| Trade receivables | - | 29,578.22 |
| Cash and bank balances | 1.20 | 3.34 |
| Short-term loans and advances | 2.08 | 0.79 |
| Other current assets | 2.74 | 2.64 |
| Total Current Assets | 6.02 | 29,629.11 |
| TOTAL ASSET | 2,185.89 | 31,851.99 |

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Notes

- 1 The results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 14 November, 2014 and the Limited Review of the same have carried out by the Statutory Auditors' of the Company.
- 2 The management has reclassified the diamond division and jewellery division into one Segment of the Company and hence, as per Accounting Standard (AS) 17 - 'Segment Reporting' will be one reportable segment i.e. Gems and Jewellery w.e.f. 1 January 2013 and onwards.
- 3 The Company has accumulated losses of Rs.53,118.28 lacs as at 30 September 2014 (Rs.20,769.48 lacs as at March 31, 2014) and its net worth as at the date is minus Rs.47,972.98 lacs (Rs.15,624.18 lacs as at March 2014). The consortium banks who had lent monies to the Company have recalled their debts in November 2011. The Company will request the banks at an appropriate time for debt restructuring. The Company has temporarily suspended its business operations since November 2011 and is making efforts to revive the operations with the help of lenders and/or find suitable investor. Based on the detailed evaluation of the current situation and active discussions underway with debtors, management is confident of revival of business in future. Therefore, the management holds the view that the Company will realize its assets and discharge liabilities in the normal course of business. The management of the Company will also support the Company and will resume operation of the Company at appropriate time. Accordingly the financial statements have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities other than doubt
- 4 The quarter ended monetary asset and liabilities which are in foreign currency have not been restated at closing exchange rate which is in non-compliance with the requirements of Accounting Standard (AS) 11 - "The Effects of Changes in Foreign Exchange Rates. Had such restatement being made, the gross amount of foreign monetary liabilities (before giving netting off effect) would have been higher by Rs.1,332.73 lacs, loss before tax for the quarter ended 30 September 2014 would have been higher by Rs.1,332.73 lacs.
- 5 Since there is no virtual / reasonable certainty (laid down in Accounting Standard (AS -22) Guidelines) of taxable income in future against which deferred tax assets can be realised, the Company has not recognized deferred tax assets (net) during the current year.
- 6 Previous period's/year's figures have been regrouped / reclassified wherever necessary

For CLASSIC DIAMONDS (INDIA) LIMITED

Kumar C. Bhansali
(Managing Director)

Place: Mumbai

Date: 14th November 2014

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LIMITED REVIEW REPORT

To,
The Board of Directors,
CLASSIC DIAMONDS (INDIA) LIMITED.

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **CLASSIC DIAMONDS (INDIA) LIMITED** ("the Company") for the half year ended 30 September, 2014 ("the Statement"), being submitted by the Company pursuant to 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. *Basis of Disclaimer of Opinion:*
 - a. *We are also unable to confirm the bank balance (including working capital facility and overdraft) and interest payable thereon since the accounts are freezed by the consortium of banks and by income tax authorities and as a result facility has been ceased to be operational and same matter was reported in previous year.*
 - b. *The Company has been unable to renegotiate its borrowings from its bankers and also incurred loss in current year and previous year. Without such financial support there is doubt that it will be able to continue as a going concern. Consequently, adjustments may be required to the recorded asset amounts and classification of liabilities. The financial results (and notes thereto) do not disclose this fact.*
 - c. *We were unable to confirm or verify by alternative means balance of balance of accounts payable Rs.24,41,67,297 and corresponding translation gain or los, if any on these balance is not recorded for the period ended 30 September 2014 and the same matters was reported in the previous year.*
4. *Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph above, we have not been able to obtain sufficient appropriate evidence to provide a basis*

Y. S. Joshi



JMR & ASSOCIATES

CHARTERED ACCOUNTANTS

for conclusion that nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014) and other recognized accounting practices and policies, 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. Accordingly, we are unable to comment on the aforesaid statements.

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 and the particulars relating to investor complaints disclosed in Part II - Select Information for the half year ended 30 September 2014 of the Statement, from the details furnished by the Management.

For **JMR & Associates**
Chartered Accountants
Firm Registration No.-106912W

CA. Nikesh Jain
(Partner)

M.No-114003

Place: Mumbai

Date: 14 November 2014