

Limited Review Report

To

**Board of Directors of
ARCHIES LTD**

We have reviewed the accompanying statement of unaudited financial results of ARCHIES LIMITED, 191 F, Sector-4 IMT Manesar Gurgaon Haryana -122050 for the period ended 30th September 2013 incorporating the Branch Limited Review Report of Ahmedabad, Bangalore, Bhubaneswar, Chennai, Chandigarh, Ernakulam, Hyderabad, Indore, Kolkata, Ludhiana, Mumbai, Goa and Pune Branches 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. 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 these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For and on behalf of
UBEROI SOOD & KAPOOR
CHARTERED ACCOUNTANTS
(Firm Registration No. 001462N)


S D SHARMA
PARTNER
(Membership No.80399)



Place : Delhi
Date : 30-10-2013

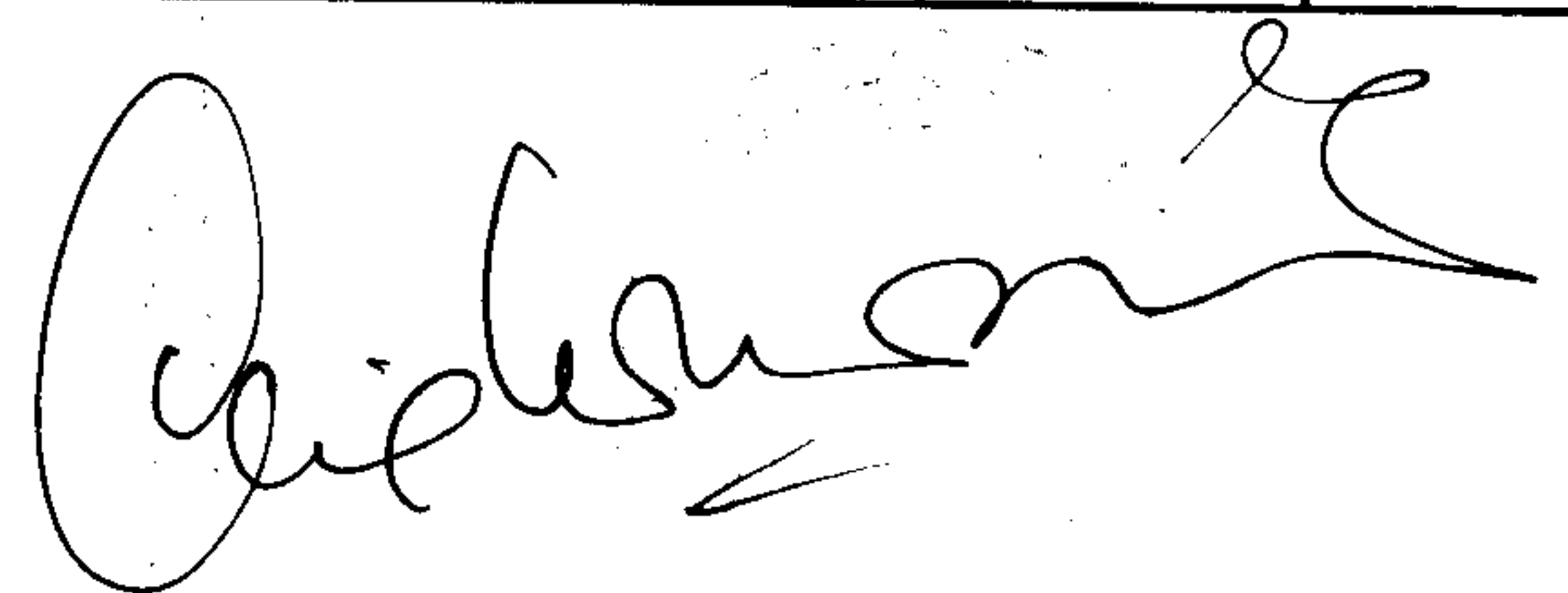
ARCHIES LIMITED
PART I
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2013

(₹ in Lacs)

| | PARTICULARS | 3 MONTHS ENDED | | | 6 MONTHS ENDED | | YEAR ENDED |
|--------------|--|----------------|----------------|----------------|----------------|----------------|-----------------|
| | | 30/09/2013 | 30/06/2013 | 30/09/2012 | 30/09/2013 | 30/09/2012 | 31/03/2013 |
| | | UNAUDITED | UNAUDITED | UNAUDITED | UNAUDITED | UNAUDITED | AUDITED |
| 1 | Income from operations | | | | | | |
| | (a) Net Sales from Operations (Net of excise duty) | 4785.38 | 3926.30 | 4799.50 | 8711.68 | 8948.34 | 20086.35 |
| | (b) Other Operating Income | 3.34 | 8.11 | 4.10 | 11.45 | 9.30 | 41.37 |
| | Total Income from operations (net) | 4788.72 | 3934.41 | 4803.60 | 8723.13 | 8957.64 | 20127.72 |
| 2 | Expenses | | | | | | |
| | (a) Cost of Materials Consumed | 402.19 | 422.62 | 440.03 | 824.81 | 770.71 | 1567.77 |
| | (b) Purchase of Traded Goods | 1693.04 | 897.50 | 1952.31 | 2590.54 | 2855.96 | 6087.51 |
| | (c) Change in inventories of finished goods, work-in-progress and Traded Goods | (317.52) | 22.60 | (632.97) | (294.92) | (353.82) | (142.39) |
| | (d) Employee Benefits Expense | 727.55 | 705.94 | 676.83 | 1433.49 | 1341.27 | 2818.74 |
| | (e) Depreciation | 130.00 | 123.41 | 120.72 | 253.41 | 237.80 | 487.49 |
| | (f) Rent | 724.39 | 699.26 | 679.97 | 1423.65 | 1359.09 | 2819.35 |
| | (g) Other Expenses | 1292.74 | 1062.07 | 1303.74 | 2354.81 | 2356.21 | 5250.52 |
| | Total Expense | 4652.39 | 3933.40 | 4540.63 | 8585.79 | 8567.22 | 18888.99 |
| | Profit from Operations before other Income, finance costs & interest and Exceptional Item (1-2) | 136.33 | 1.01 | 262.97 | 137.34 | 390.42 | 1238.73 |
| 3 | Other Income | 51.43 | 53.67 | (14.24) | 105.10 | 22.96 | 36.95 |
| 4 | Profit from ordinary activities before finance costs and interest and exceptional items (3+4) | 187.76 | 54.68 | 248.73 | 242.44 | 413.38 | 1275.68 |
| 5 | Finance costs & Interest | 69.01 | 48.36 | 51.13 | 117.37 | 95.01 | 224.80 |
| 6 | Profit from ordinary activities after finance costs & interest but before exceptional items (5-6) | 118.75 | 6.32 | 197.60 | 125.07 | 318.37 | 1050.88 |
| 7 | Exceptional Items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 8 | Profit from ordinary activities before tax (7 +/- 8) | 118.75 | 6.32 | 197.60 | 125.07 | 318.37 | 1050.88 |
| 9 | Tax expense | | | | | | |
| 10 | Current | 37.05 | 0.00 | 73.69 | 37.05 | 108.74 | 350.39 |
| | Deferred | 2.61 | 0.85 | 4.55 | 3.46 | 3.19 | (0.26) |
| 11 | Net Profit from Ordinary activities after tax (9-10) | 79.09 | 5.47 | 119.36 | 84.56 | 206.44 | 700.75 |
| 12 | Extraordinary Items (Net of Tax Expense) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 13 | Net Profit for the period (11 +/- 12) | 79.09 | 5.47 | 119.36 | 84.56 | 206.44 | 700.75 |
| 14 | Paid-Up Equity Share Capital (Face value of the share ₹. 2/-) | 675.60 | 675.60 | 675.60 | 675.60 | 675.60 | 675.60 |
| 15 | Reserve excluding revaluation reserves as per Balance Sheet of Previous accounting year | | | | | | 10395.34 |
| 16.i | Earning Per Shares (before extraordinary items) (of ₹ 2/- each) | | | | | | |
| | (a) Basic | 0.23* | 0.02* | 0.35* | 0.25* | 0.61* | 2.07** |
| | (b) Diluted | 0.23* | 0.02* | 0.35* | 0.25* | 0.61* | 2.07** |
| 16.ii | Earning Per Shares (after extraordinary items) (of ₹ 2/- each) | | | | | | |
| | (a) Basic | 0.23* | 0.02* | 0.35* | 0.25* | 0.61* | 2.07** |
| | (b) Diluted | 0.23* | 0.02* | 0.35* | 0.25* | 0.61* | 2.07** |

*not annualised & Figures in ₹

** Figures in ₹





PART II

SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2013

| PARTICULARS | 3 MONTHS ENDED | | | 6 MONTHS ENDED | | YEAR ENDED |
|--|----------------|------------|------------|----------------|------------|------------|
| | 30/09/2013 | 30/06/2013 | 30/09/2012 | 30/09/2013 | 30/09/2012 | 31/03/2013 |
| A PARTICULARS OF SHAREHOLDING | | | | | | |
| 1 Public Shareholding | | | | | | |
| - Number of Shares | 12925400 | 12925400 | 12925400 | 12925400 | 12925400 | 12925400 |
| - Percentage of Shareholding | 38.26 | 38.26 | 38.26 | 38.26 | 38.26 | 38.26 |
| 2 Promoter and Promoter Group Shareholding | | | | | | |
| a) Pledged / Encumbered | | | | | | |
| - Number of shares | nil | nil | nil | nil | nil | nil |
| - Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | nil | nil | nil | nil | nil | nil |
| - Percentage of Shares (as a % of the total share capital of the company) | nil | nil | nil | nil | nil | nil |
| b) Non - Encumbered | | | | | | |
| - Number of shares | 20854600 | 20854600 | 20854600 | 20854600 | 20854600 | 20854600 |
| - Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | 100 | 100 | 100 | 100 | 100 | 100 |
| - Percentage of Shares (as a % of the total share capital of the company) | 61.74 | 61.74 | 61.74 | 61.74 | 61.74 | 61.74 |

| PARTICULARS | 3 MONTHS ENDED 30/09/2013 |
|--|---------------------------|
| B INVESTOR COMPLAINTS | |
| Pending at the beginning of the quarter | 0 |
| Received during the quarter | 0 |
| Disposed of during the quarter | 0 |
| Remaining unresolved at the end of the quarter | 0 |

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(₹ in Lacs)

| PARTICULARS | 3 MONTHS ENDED | | | 6 MONTHS ENDED | | YEAR ENDED |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 30/09/2013 | 30/06/2013 | 30/09/2012 | 30/09/2013 | 30/09/2012 | 31/03/2013 |
| | UNAUDITED | UNAUDITED | UNAUDITED | UNAUDITED | UNAUDITED | AUDITED |
| 1. Segment Revenue (Net Sales) | | | | | | |
| a) Greeting Cards | 1106.86 | 848.66 | 1069.01 | 1955.52 | 2078.84 | 4854.56 |
| b) Stationery Items | 558.58 | 476.40 | 618.00 | 1034.98 | 1150.35 | 2613.29 |
| c) Gifts | 3096.80 | 2586.07 | 3086.23 | 5682.87 | 5674.99 | 12486.48 |
| d) Others | 23.14 | 15.17 | 26.26 | 38.31 | 44.16 | 132.02 |
| Net Sales | 4785.38 | 3926.30 | 4799.50 | 8711.68 | 8948.34 | 20086.35 |
| 2. Segment Results (Profit/Loss) before depreciation, Interest, Finance Charges & Tax | | | | | | |
| a) Greeting Cards | 198.58 | 104.74 | 185.56 | 303.32 | 345.79 | 851.11 |
| b) Stationery | 35.85 | 22.34 | 59.47 | 58.19 | 91.92 | 244.93 |
| c) Gifts | 274.37 | 195.64 | 300.71 | 470.01 | 523.81 | 1267.20 |
| d) Others | 1.72 | 1.17 | 2.36 | 2.89 | 3.54 | 10.30 |
| Total | 510.52 | 323.89 | 548.10 | 834.41 | 965.06 | 2373.54 |
| Less: | | | | | | |
| i) Interest & Finance Charges | 69.01 | 48.36 | 51.13 | 117.37 | 95.01 | 224.80 |
| ii) Depreciation | 130.00 | 123.41 | 120.72 | 253.41 | 237.80 | 487.49 |
| iii) Other un-allocable expenditure (net of unallocable income) | 192.76 | 145.80 | 178.65 | 338.56 | 313.88 | 610.37 |
| Total Profit before Tax | 118.75 | 6.32 | 197.60 | 125.07 | 318.37 | 1050.88 |
| 3. Capital Employed (Segment Assets less Segment Liabilities) | | | | | | |
| Total | 11139.51 | 11076.43 | 10744.81 | 11139.51 | 10744.81 | 11070.96 |

ARCHIES LIMITED

C-113, NARAINA INDUSTRIAL AREA, PHASE - I, NEW DELHI - 110 028 (INDIA)
 TEL. : 91-11- 41410000, 41412222, FAX : 91-11- 41410070, 41410060 Website: www.archiesonline.com
 REGISTERED OFFICE : PLOT NO. 191-F, SECTOR-4, I.M.T. MANESAR, GURGAON-122050, HARYANA (INDIA)



STATEMENT OF ASSETS & LIABILITIES AS AT 30 SEPTEMBER, 2013

(₹ in Lacs)

| PARTICULARS | UNAUDITED | AUDITED |
|--|---------------------|---------------------|
| | As At 30/09/2013 | As At 31/03/2013 |
| A EQUITY AND LIABILITIES | | |
| 1 Shareholders' Funds | | |
| (a) Share Capital | 675.62 | 675.62 |
| (b) Reserves and Surplus | 10463.89 | 10395.34 |
| Sub-total - Shareholders' funds | 11139.51 | 11070.96 |
| 2 Non-Current Liabilities | | |
| (a) Long-Term borrowings | 41.39 | 50.86 |
| (b) Deferred Tax Liabilities (net) | 730.11 | 710.64 |
| (c) Other Long Term Liabilities | 614.53 | 622.53 |
| (d) Long Term Provisions | 59.21 | 59.21 |
| Sub-total - Non-Current Liabilities | 1445.24 | 1443.24 |
| Current Liabilities | | |
| (a) Short-Term Borrowings | 1990.89 | 352.39 |
| (b) Trade Payables | 786.15 | 584.17 |
| (c) Other Current Liabilities | 1145.55 | 1132.31 |
| (d) Short-Term Provisions | 25.32 | 228.44 |
| Sub-total - Current Liabilities | 3947.91 | 2297.31 |
| TOTAL - EQUITY AND LIABILITIES | 16532.66 | 14811.51 |
| B ASSETS | | |
| Non-Current Assets | | |
| (a) Fixed Assets | 7095.49 | 6585.27 |
| (b) Long-Term Loans and Advances | 1421.52 | 1345.99 |
| Sub-total - Non-Current Assets | 8517.01 | 7931.26 |
| Current Assets | | |
| (a) Inventories | 4894.89 | 4412.15 |
| (b) Trade Receivables | 2231.85 | 1856.46 |
| (c) Cash and Bank Balances | 216.00 | 300.64 |
| (d) Short-Term Loans and Advances | 672.91 | 311.00 |
| Sub-total - Current Assets | 8015.65 | 6880.25 |
| TOTAL - ASSETS | 16532.66 | 14811.51 |

NOTES:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30th October 2013.
- Previous year's figures have been rearranged and regrouped, wherever necessary.
- Due to the nature of business & common manufacturing facilities for various segments, a reasonable allocation of Capital Employed to various segments is currently not practicable.
- The total no of company operated retail outlets including both Archies & Hallmark stores is 244 as on 30.10.2013.

For and on behalf of the Board

Anil Moolchandani
(Chairman Cum Managing Director)

Date: 30-10-2013
Place: Delhi

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