


Limited Review Report

Review Report to the Board of Directors of Vaibhav Gems Limited

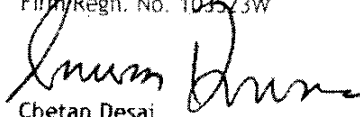
1. We have reviewed the accompanying statement of unaudited financial results of **Vaibhav Gems Limited** ('the Company') for the quarter ended September 30, 2011 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures 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.
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. Based on our review conducted as above, nothing has come to our attention that causes us to believe that
 - a) the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards notified pursuant to Companies (Accounting Standards) Rules, 2006 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, *except that no disclosure has been made with regard to a reservation in the auditors' report on the financial statements for the year ended 31st March, 2011 with regard to non provision in excess of Rs. 212.88 crores against Company's exposure of Rs. 529.79 crores to three foreign subsidiaries whose net worth is negative, or*
 - b) it contains any material misstatement.

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


Sandeep Mundra
Partner
Membership No.: 75482

Jaipur
November 9, 2011

For **Haribhakti & Co.**
Chartered Accountants
Firm Regn. No. 103523W


Chetan Desai
Partner
Membership No.: 17000

Mumbai
November 9, 2011

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Limited Review Report

Review Report to the Board of Directors of Vaibhav Gems Limited

- 1) We have reviewed the accompanying statement of unaudited consolidated financial results of **Vaibhav Gems Limited** ('the Company') for the quarter ended September 30, 2011 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.
- 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) a) We did not review the financial statements of 2 subsidiaries whose financial statements reflect total revenue of Rs. 3967.81 lacs for the quarter ended on that date. These financial statements have been reviewed by other auditors whose reports have been furnished to us and our opinion is based solely on the report of other auditors.
b) The financial statements of 5 subsidiaries which reflect total assets of Rs. 17450.91 lacs and total revenue of Rs. 11475.90 lacs have been reviewed by one of the undersigned viz. B. Khosla & Co.
c) Certain financial information relating to intra group transactions, intra group balances and stock reserve as on September 30, 2011 used for the purposes of consolidation has compiled by the management and relied upon by us.

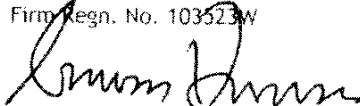
Based on our review conducted as above, *except for the fact that no previous period comparative figures have been disclosed*, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards notified pursuant to Companies (Accounting Standards) Rules, 2006 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 B. Khosla & Co.
Chartered Accountants
Firm Regn. No. 000205C


Sandeep Mundra
Partner
Membership No.: 75482

Jaipur
November 09, 2011

For Haribhakti & Co.
Chartered Accountants
Firm Regn. No. 103523W


Chetan Desai
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