

KEWAL KIRAN CLOTHING LIMITED

Registered Office: Kewal Kiran Estate 460/7, I.B. Patel Road, Goregaon (E), Mumbai – 400 063

Corporate Identification Number: L18101MH1992PLC065136

Email ID: contact@kewalkiran.com, Website: kewalkiran.com

Phone: 022 - 26814400, Fax: 022- 26814410

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2017

Sr No	Particulars	(Rs. In Lakhs)					
		Quarter Ended			Half Year Ended		Year Ended
		30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16	31-Mar-17
		Audited	Audited	Unaudited	Audited	Unaudited	Unaudited
	Revenue:						
I	a. Revenue from Operations	16,751	8,001	15,239	24,752	25,898	47,709
II	b. Other Income	543	637	499	1,180	952	1,747
III	Total Revenue (I + II)	17,294	8,638	15,738	25,932	26,850	49,456
IV	Expenses:						
	a. Cost of materials consumed	5,709	4,405	5,384	10,113	10,474	17,782
	b. Purchase of stock in trade	353	437	306	790	766	1,626
	c. Change in inventories of finished goods, work in progress and stock in trade	1,076	(1,756)	355	(680)	(889)	788
	d. Excise duty on sales	-	164	341	164	568	1059
	e. Employee benefit expenses	1,837	1,541	1,724	3,378	3,120	5,921
	f. Finance cost	132	97	99	229	169	327
	g. Depreciation and amortisation expenses	144	129	119	273	220	476
	h. Manufacturing and operating expenses	1,445	1,082	1,699	2,528	3,024	4,777
	i. Administrative and other expenses	805	728	824	1,533	1,347	2,953
	j. Selling and distribution expenses	642	671	868	1,314	1,796	2,919
	Total Expenses	12,143	7,499	11,719	19,642	20,595	38,628
V	Profit before exceptional and extraordinary items and tax (III - IV)	5,151	1,139	4,019	6,290	6,255	10,828
VI	Exceptional Items	-	-	-	-	-	-
VII	Profit before extraordinary items and tax (V-VI)	5,151	1,139	4,019	6,290	6,255	10,828
VIII	Extraordinary items	-	-	-	-	-	-
IX	Profit before tax (VII - VIII)	5,151	1,139	4,019	6,290	6,255	10,828
X	Tax Expense:						
	a. Current tax	1,679	193	1,228	1,872	1,849	3,212
	b. Deferred tax	(46)	123	90	76	155	162
	c. (Excess)/Short provision for taxes of earlier years	-	-	-	-	1	(5)
XI	Profit for the period (IX - X)	3,518	824	2,701	4,342	4,250	7,459
XII	Other Comprehensive Income (OCI)						
	A. <i>Items that will not be reclassified subsequently to profit or loss</i>						
	Remeasurement [gain / (loss)] of net defined benefit liability	2	6	(31)	8	(63)	(35)
	Income tax on above	(1)	(2)	11	(3)	22	12
	Effect [gain / (loss)] of measuring equity instruments at fair value through OCI	21	(21)	30	(0.37)	(15)	0.14
	Income tax on above	-	-	-	-	-	-
	B. <i>Items that will be reclassified subsequently to profit or loss</i>						
	Income tax relating to items that will be reclassified subsequently to profit or loss	-	-	-	-	-	-
	Total of Other Comprehensive income	22	(17)	10	5	(56)	(23)
XIII	Total Comprehensive income for the period (XI+XII)	3,540	807	2,711	4,347	4,194	7,436
XIV	Paid up Equity Capital (Face Value of Rs. 10/- each)	1,233	1,233	1,233	1,233	1,233	1,233
XV	Reserves excluding revaluation reserves (refer note 3)	-	-	-	-	-	36,219
XVI	Earnings Per Share (EPS) in Rs (Not Annualized)						
	a. Basic	28.54	6.68	21.92	35.23	34.49	60.52
	b. Diluted	28.54	6.68	21.92	35.23	34.49	60.52



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NOTES:

- 1 The above audited results for the quarter and half year ended 30th Sept 2017 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 14th October, 2017.
- 2 The above results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 [Ind AS] prescribed under section 133 of the Companies Act, 2013. Beginning 1st April 2017, the Company has for the first time adopted Ind AS. The impact of transition has been provided in Other Equity (Opening Reserves as per Previous Generally Accepted Accounting Principles (Previous GAAP)) as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS. Further, in accordance with Ind AS 101, First-Time Adoption of Indian Accounting Standards, the Company has presented a reconciliation of profit as per Previous GAAP and Ind AS:

Reconciliation of profit between Previous GAAP and Ind AS

(Rs. In Lakhs)

Sr no	Nature of Adjustments	Quarter Ended	Half Year Ended	Year Ended
		30-Sep-16	30-Sep-16	31-Mar-17
1	Profit as per Previous GAAP	2,951	4,211	8,528
	Add/(less) : Adjustments in statement of profit and loss			
2	Effects of measuring investments at fair value through profit and loss (refer note 1 below)	(234)	49	(1,115)
3	Deferred tax impact on above	(89)	(142)	(68)
4	Effect of measuring equity investments at fair value through OCI	53	91	92
5	Actuarial loss/(gain) on defined benefit liability reclassified to OCI	31	63	35
6	Current tax impact on above reclassified to OCI	(11)	(22)	(12)
7	Net Profit before OCI as per Ind AS	2,701	4,250	7,459
8	Other Comprehensive Income (net of tax impact) (refer note 2 below)	10	(56)	(23)
9	Total Comprehensive Income as per Ind AS	2,711	4,194	7,436

Note on Reconciliation of profit between Previous GAAP and Ind AS.

1. Under previous GAAP, investments were accounted at cost less diminution. Under Ind AS, the Company has valued investments (other than equity instruments and investments in joint venture) at fair value through Statement of Profit and Loss. Impact of fair value changes on date of transition including tax impact thereon is recognized in other equity (opening reserves) as at 1st April 2016. Changes in fair value thereafter are recognised in Statement of Profit and Loss and impact of actual realized gain as per Previous GAAP is reversed.

2. Other Comprehensive income: Under previous GAAP, the company was not required to disclose other comprehensive income (OCI) separately. Under Ind AS, the company has valued investments (equity instruments) at fair value, tax thereof and actuarial (gain)/loss on defined benefit liability are shown separately and routed through OCI.

3	Other Equity (Reserves) as per serial no. XV	(Rs. In Lakhs)
	Nature of Adjustments/Reconciliation as under	As at 31-Mar-17
	Other Equity (Reserves) as per previous GAAP	34,573
	Adjustments:	
	Effect of measuring investments at fair value	1,714
	Deferred tax impact on above	(68)
	Other Equity (Reserves) as per Ind AS	36,219

- 4 The financial results for the quarter and half year ended 30th September 2016 and year ended 31st March 2017 have not been audited. However, the management has exercised due diligence to ensure that the results provide a true and fair view of the Company's affairs.

- 5 In view of Company's nature of business, revenue is unevenly spread through out the year hence result for the quarter is not representative for revenue and profit of the entire year.

- 6 The Board of Directors have declared a interim dividend of Rs.10 per equity share of Rs.10 each for the quarter ended 30th September 2017 amounting to total dividend of Rs.1483.41 lakhs including Corporate dividend tax of Rs.250.91 lakhs, the record date for the payment is 27th October, 2017. The Company had declared and paid interim dividend of Rs.7 per equity share of Rs.10 each during the quarter ended 30th June 2017.

Information on dividends

(Amount In Rs.)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16	31-Mar-17
Dividend per share (Face value Rs.10/- each)						
- Interim dividend	10.00	7.00	9.00	17.00	9.00	17.50
- Final dividend	-	-	-	-	-	1.50



The Company is engaged in the business of manufacturing and marketing of Apparels & trading of Lifestyle Accessories/Products. The Company is also generating power from Wind Turbine Generator. The power generated from the same is predominantly used for captive consumption. However, the operation of Wind Turbine Segment is within the threshold limit stipulated under IND AS 108 "Operating Segments" and hence it does not require disclosure as a separate reportable segment.

Segment wise Reporting Revenue, Result, Assets, Liabilities and Capital Employed

(Rs. In Lakhs)						
Particulars	Quarter Ended			Half Year Ended		Year Ended
	30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16	31-Mar-17
	Audited	Audited	Unaudited	Audited	Unaudited	Unaudited
1 Segment Revenue : (Net Sales/Income from Operation)						
- Apparel & Lifestyle Accessories/Products	16,751	8,001	15,237	24,752	25,895	47,705
- Other/Reconciling Item	41	20	22	41	43	63
- Less: Inter Segment Revenue	(41)	(20)	(20)	(41)	(40)	(58)
Total	16,751	8,001	15,239	24,752	25,898	47,709
2 Segment Result :						
- Apparel & Lifestyle Accessories/Products	4,695	575	3,679	5,287	5,522	9,386
- Other/Reconciling Item	33	15	16	30	33	41
Total	4,728	590	3,695	5,317	5,555	9,427
Less : Finance cost	(109)	(82)	(116)	(192)	(225)	(289)
Add: Other unallocable income net of unallocable expenditure	532	631	440	1,165	925	1,690
Profit before Tax	5,151	1,139	4,019	6,290	6,255	10,828
3 Segment Assets						
- Apparel & Lifestyle Accessories/Products	31,393	24,548	25,867	31,393	25,867	23,987
- Other/Reconciling Item	150	139	142	150	142	139
- Corporate (Unallocated)	28,244	28,109	21,898	28,244	21,898	27,189
Total	59,787	52,795	47,907	59,787	47,907	51,315
4 Segment Liabilities						
- Apparel & Lifestyle Accessories/Products	10,795	10,118	9,651	10,795	9,651	9,600
- Other/Reconciling Item	-	-	-	-	-	-
- Corporate (Unallocated)	8,455	5,457	4,171	8,455	4,171	4,263
Total	19,250	15,575	13,822	19,250	13,822	13,863
5 Capital Employed : (Segment Assets – Segment Liabilities)						
- Apparel & Lifestyle Accessories/Products	20,598	14,429	16,217	20,598	16,217	14,387
- Other/Reconciling Item	150	139	142	150	142	139
- Corporate (Unallocated)*	19,789	22,651	17,726	19,789	17,726	22,926
Total	40,537	37,219	34,085	40,537	34,085	37,452

* Includes Cash & Cash Equivalents, Deposits offered as security, Accrued Interest, investments measured at fair value in units of mutual fund (including earmarked against business progressive fund) of Rs.19,837 lakhs (30th July 2017 Rs 22,033 lakhs; 30th Sept 2016 Rs 17,452 lakhs; 31st March 2017 Rs.22,544 Lakhs) and is net of borrowings.



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(Rs. In Lakhs)

Particulars	As at	
	30-Sep-17	31-Mar-17
	Audited	Unaudited
ASSETS		
1) Non-Current Assets		
a) Property, Plant and Equipment	6,824	6,299
b) Capital Work in Progress	812	725
c) Investment Property	156	106
d) Other Intangible Assets	32	50
e) Intangible Assets under Development	9	3
f) Financial Assets		
i) Investments	14,071	12,929
ii) Loans	-	-
iii) Other Financial Assets	186	190
g) Deferred Tax Assets(Net)	-	-
h) Other Non-Current Assets	264	533
	22,354	20,835
2) Current Assets		
a) Inventories	6,158	5,126
b) Financial Assets		
i) Investments	7,214	7,583
ii) Trade Receivables	16,338	10,615
iii) Cash & Cash Equivalents	6,851	6,556
iv) Bank balances (other than iii above)	82	88
v) Loans	-	-
vi) Other Financial Assets	165	133
c) Current Tax Assets (Net)	-	-
d) Other Current Assets	625	377
	37,433	30,479
TOTAL ASSETS	59,787	51,314
EQUITY & LIABILITIES		
Equity		
a) Equity Share Capital	1,233	1,233
b) Other Equity	39,304	36,219
	40,537	37,452
Liabilities		
1) Non-Current Liabilities		
a) Financial Liabilities		
i) Other financial liabilities	-	-
ii) Other Long-Term Liabilities	-	-
b) Provisions	8	8
c) Deferred Tax Liability	189	113
d) Other non - current liabilities	171	-
	368	121
2) Current Liabilities		
a) Financial Liabilities		
i) Borrowings	7,903	4,051
ii) Trade Payables		
- Due to Micro and Small Enterprises	84	21
- Due to Others	4,902	3,926
iii) Other financial liabilities	904	956
b) Other Current Liabilities	2,449	2,597
c) Provisions	2,301	2,105
d) Current Tax Liabilities (Net)	339	86
	18,882	13,742
TOTAL EQUITY AND LIABILITIES	59,787	51,314

Place: Mumbai

Date: 14th October 2017



For and on behalf of the Board of Directors

Kewalchand P. Jain

sd/-

Kewalchand P. Jain

Chairman & Managing Director

Din No: 00029730



Independent Auditors' Report

The Board of Directors
KEWAL KIRAN CLOTHING LIMITED
Mumbai

INTRODUCTION

1. We have audited the accompanying Statement of Financial Results ('the Statement') of Kewal Kiran Clothing Limited ('the Company') for the quarter and half year ended September 30, 2017 ('interim period'), for submission by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's Management and approved by its Board of Directors, has been prepared on the basis of the related financial statements for the interim period, which are in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards Rules), 2015 and other accounting principles generally accepted in India, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. Our responsibility is to express an opinion on the Statement.

SCOPE

2. We conducted our audit for the interim period in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit includes examining, on test basis, evidence supporting the amounts disclosed as financial results.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and gives true and fair view in conformity with the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company contained in the Statement for the interim period.





OTHER MATTERS

4. The numbers and details under the columns headed "Quarter ended June 30, 2017", "Quarter ended September 30, 2016", "Half year ended September 30, 2016" and "Year ended March 31, 2017" of the Statement including notes relating thereto have been traced from the Audited Financial Statements for the relevant period(s) vide the audit reports of the erstwhile joint auditors of the Company namely, N.A Shah Associates LLP and Jain & Trivedi ('the erstwhile joint auditors').
5. Further, the figures and adjustments arising out of transition from previously applicable Generally Accepted Accounting Principles to Indian Accounting Standards for the quarter ended June 30, 2017, corresponding quarter and half year ended September 30, 2016 and year ended March 31, 2017 were/are neither audited by the erstwhile joint auditors nor by us. These adjustments have been reconciled to the net profit for the quarter and half year ended September 30, 2016 and year ended March 31, 2017 as stated in Note No. 2 and Note No. 4 to the Statement.

For and on behalf of
Khimji Kunverji & Co
Chartered Accountants
(Registration Number : 105146W)

Place: Mumbai
Dated: October 14, 2017

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Hasmukh B. Dedhia
Partner (F-33494)