



THANGAMAYIL
JEWELLERY LIMITED

TMJL | CS | RESULT | DT. 02.11.2020

To,

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E),
Mumbai – 400 001

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001

Dear Sir,

Sub: Un-Audited Financial Results for the 2nd quarter ended 30.09.2020 under SEBI (LODR) Regulations 33 (3) (d) of Listing Agreement.

With reference to the above we wish to inform you that the Board of Directors in their meeting held today i.e., 02nd November, 2020 has approved and took on record the Standalone Un-Audited Financial results for the 2nd quarter ended 30.09.2020 as per Indian Accounting Standards (IND – AS) along with the Limited Review report issued by M/s. Srinivas & Padmanabhan, Statutory Auditors of our Company. We enclose herewith following documents:


- 1) Standalone Un-Audited Financial Results for the 2nd quarter ended 30.09.2020.
- 2) Balance sheet as on 30.09.2020.
- 3) Cash-flow statement for the six months ended 30.09.2020.
- 4) Limited Review report of our Statutory Auditors issued by M/s.Srinivas & Padmanabhan.
- 5) Performance highlights for the quarter & six months ended – 30.09.2020.
- 6) Chairman's note to shareholders of the company.

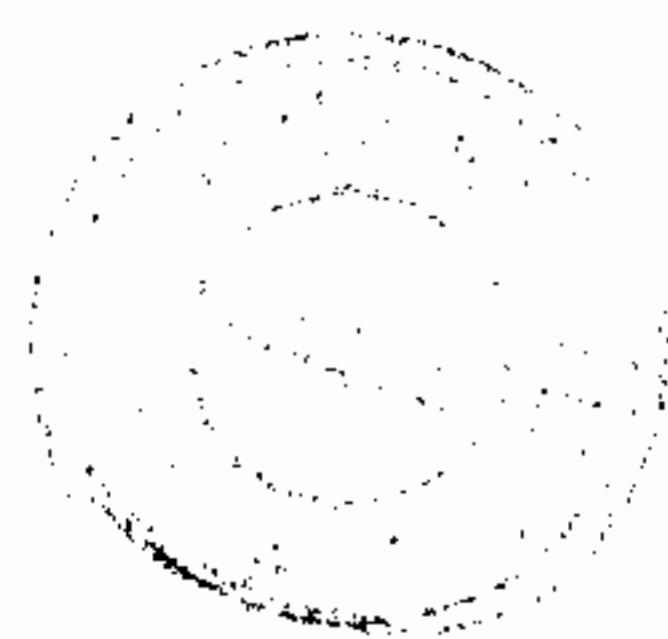
Kindly take the above documents on your records.

The Board meeting got concluded at 1.40 p.m.

Thanking You,

Yours Faithfully,
For Thangamayil Jewellery Limited


(CS.V.Vijayaraghavan)
Company Secretary



THANGAMAYIL JEWELLERY LIMITED

(CIN:L36911TN2000PLC044514)

No. 124, Netaji Road, Madurai 625 001

Statement of Unaudited Financial Results for the Quarter and six months ended September 30,2020 (Rs. In Lakhs)

S.No.	Particulars	Quarter ended			Half year ended		Year Ended
		30-09-2020 (Unaudited)	30-06-2020 (Unaudited)	30-09-2019 (Unaudited)	30-09-2020 (Unaudited)	30-09-2019 (Unaudited)	31-03-2020 (Audited)
	Income from Operations						
I	Net Sales	34,166.39	12,589.04	40,166.39	46,755.43	89,284.47	1,69,196.10
II	Other operating income	35.80	30.54	101.43	66.34	174.28	302.62
III	Total Income from Operations (I+II)	34,202.19	12,619.59	40,267.82	46,821.78	89,458.75	1,69,498.72
IV	Expenses						
	(a) Cost of raw materials consumed	29,165.37	7,298.65	34,122.47	36,464.02	83,497.93	1,54,679.34
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4,135.60)	3,201.63	579.76	(933.97)	(4,203.63)	(4,989.46)
	(c) Employee benefit expenses	660.28	619.51	1,059.66	1,279.79	2,035.90	4,224.16
	(d) Interest and finance costs	531.21	504.06	587.06	1,035.27	1,065.63	2,115.19
	(e) Depreciation and amortisation expenses	243.49	217.35	321.27	460.85	488.12	1,018.51
	(f) Other expenses (Refer note 6)	727.83	1,634.25	1,777.68	2,362.08	2,765.61	5,509.43
	Total expenses (IV)	27,192.59	13,475.45	38,447.89	40,668.04	85,649.56	1,62,557.17
V	Profit/(Loss) before exceptional items and taxes (III-IV)	7,009.59	(855.86)	1,819.93	6,153.74	3,809.19	6,941.55
VI	Exceptional items gain/(loss) - net	-	-	-	-	-	-
VII	Profit/(Loss) before tax (V-VI)	7,009.59	(855.86)	1,819.93	6,153.74	3,809.19	6,941.55
VIII	Tax expenses						
	- Current Tax	1,582.40	-	271.21	1,582.40	989.99	1,950.54
	- Deferred Tax	193.01	(215.42)	368.91	(22.41)	354.25	425.43
	Total Tax Expenses (VIII)	1,775.41	(215.42)	640.12	1,559.99	1,344.24	2,375.97
IX	Profit/(Loss) for the year (VII-VIII)	5,234.18	(640.44)	1,179.80	4,593.75	2,464.95	4,565.59
X	Other comprehensive income						
	Other comprehensive income not to be reclassified to profit and loss in subsequent periods:						
	Re-measurements loss of the defined benefit plans	(25.05)	(7.45)	(1.30)	(32.50)	(3.81)	(49.34)
	Deferred tax charges	6.31	1.88	0.08	8.18	0.96	12.42
	Total other comprehensive income for the year(X)	(18.75)	(5.58)	(1.21)	(24.32)	(2.85)	(36.92)
XI	Total comprehensive income for the year (IX+X)	5,215.44	(646.02)	1,178.59	4,569.43	2,462.10	4,528.67
XII	Paid up equity share capital	1,371.96	1,371.96	1,371.96	1,371.96	1,371.96	1,371.96
XIII	Other Equity						20,642.92
XIV	Earnings per equity share of Re.10 each						
	Basic	38.01	(4.71)	8.59	33.30	17.95	33.01
	Diluted	38.01	(4.71)	8.59	33.30	17.95	33.01

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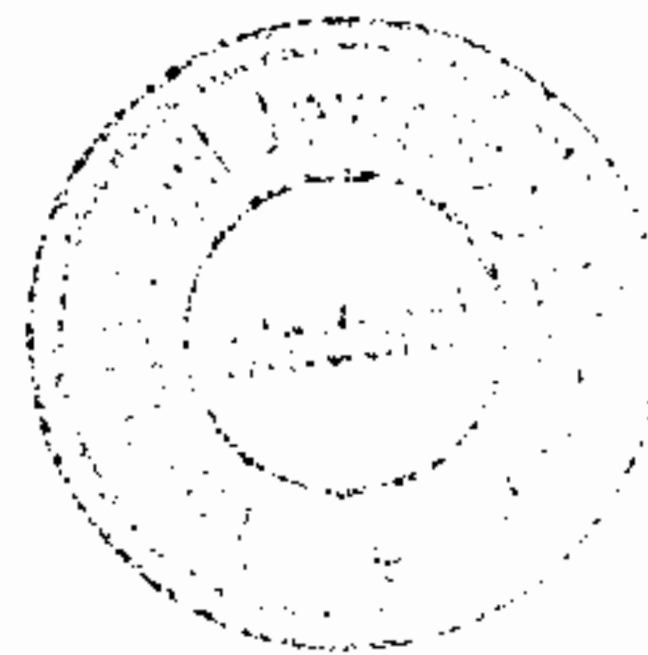
Notes:

- 1 The above unaudited financial results ("the statement") for the quarter and six months ended September 30, 2020 were reviewed by Audit Committee and thereafter approved by the Board of directors at its meeting held on November 2, 2020.
- 2 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3 The financial results for the quarter ended 30/09/20 covers operations for 69 days only as against 91 days previous Corresponding quarter 30/09/19. This was due to continuous lock down implemented by the Governments on account of COVID 19 situations. Therefore the financial results are not strictly comparable due conditions prevailed beyond our control.
- 4 The Company has considered the possible effects that may results from COVID 19 in the preparation of these financial results including the recoverability of the carrying value of current assets and non current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID 19 , the company has, at the date of approval of the financial results, use internal and external sources of information and expects that the carrying value of the assets will be recovered. The impact of COVID 19 on the company's financial results may differ from that estimated as at the date of approval of the same.
- 5 The Company's Business activity falls with in a single business segment in terms of Ind AS 108 on Segment Reporting.
- 6 Other expenses includes a sum of Rs. 109.81 lakhs (as on 30th June 1,351.62 lakhs) for the quarter being MTM difference for gold price hedging mechanism outstanding as on September 30,2020 as losses in accordance with generally applied treatment for Hedge Accounting.
- 7 The figures for the corresponding previous period have been regrouped/reclassified/restated wherever necessary to make them comparable with the current year's classification.
- 8 The results for the quarter ended Sep 30, 2020 are available on the BSE Limited website (URL:www.bseIndia.com/corporates), the National Stock Exchange of India Limited website (URL: www.nseindia.com/corporates) and on the Company's website (URL: https://www.thangamayil.com)

For and on behalf of the board



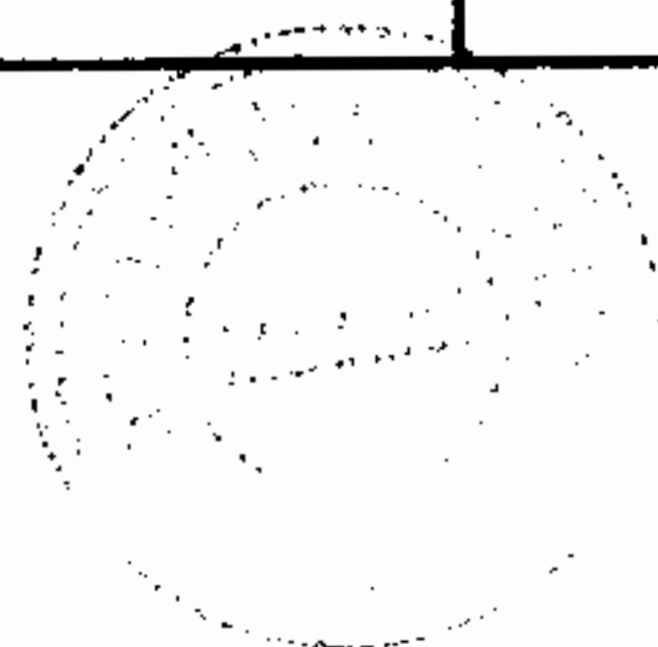
Balarama Govinda Das
Chairman and Managing Director



Date - November 02, 2020

Place - Madurai

THANGAMAYIL JEWELLERY LIMITED			
Statement of Assets and Liabilities as at September 30, 2020			
(₹ in lakhs)			
Particulars		As at Sep 30,2020	As at March 31,2020
		Un Audited	Audited
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment		6,735.72	7,012.44
(b) Capital work-in-progress		227.12	202.14
(c) Intangible assets		80.09	95.84
(d) Right-of - Use Assets		857.99	963.12
(e) Financial assets			
(i) Other financial assets		39.92	39.92
(f) Deferred Tax Assets (net)		69.64	39.05
(g) Other non-current assets		1,016.91	970.67
Total non-current assets		9,027.39	9,323.18
Current assets			
(a) Inventories		56,436.23	56,393.14
(b) Financial assets			
(i) Trade receivables		86.46	13.62
(ii) Cash and cash equivalents		702.86	198.81
(iii) Bank balances other than (ii) above		471.04	2,940.01
(iv) Other financial assets		70.21	48.83
(c) Other current assets		2,718.65	2,611.90
Total Current Assets		60,485.45	62,206.31
TOTAL ASSETS		69,512.84	71,529.49
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital		1,371.96	1,371.96
(b) Other equity		25,212.34	20,642.92
Total equity		26,584.30	22,014.87
Non-current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities		776.72	874.30
(ii) Borrowings		6,337.89	5,493.39
Total non-current liabilities		7,114.61	6,367.69
Current liabilities			
(a) Financial liabilities			
(i) Borrowings		15,720.56	18,077.45
(ii) Trade payables		880.06	3,702.78
(iii) Lease Liabilities		333.12	333.12
(iv) Other financial liabilities		1,671.38	1,458.58
(b) Other current liabilities		15,986.57	19,493.27
(c) Current Tax Liability (net)		1,222.24	81.72
Total Current Liabilities		35,813.93	43,146.93
Total Liabilities		42,928.54	49,514.62
TOTAL EQUITY AND LIABILITIES		69,512.84	71,529.49



Bale Raveendra

THANGAMAYIL JEWELLERY LIMITED

Statement of un audited Cash Flows for the six months ended September 30, 2020

(₹ in lakhs)

Particulars	Six month ended	
	30/09/2020	30/09/2019
Cash flow from operating activities		
Net profit before tax	6,153.73	3,809.19
Adjustments for :		
Depreciation and amortization expenses	460.85	488.12
Interest income	(31.67)	(168.97)
Interest expense	1,035.27	1,065.63
Operating profit before working capital changes	7,618.18	5,193.97
Movements in working capital:		
(Increase) / Decrease in Inventories	(43.09)	(5,990.53)
(Increase) / Decrease in trade receivables	(72.84)	121.38
Decrease/ (Increase) in Other financials and non financial assets	(206.88)	(713.71)
(Decrease)/ Increase in trade payable and other financial and non financial liabilities	(6,116.62)	(964.61)
Cash Generated from Operations	1,178.754	(2,353.50)
Income taxes paid	(441.88)	(802.21)
Net cash generated from operating activities (A)	736.88	(3,155.72)
Cash flow from investing activities		
Payment for Property ,Plant & Equipment ,Intangible assets including capital Advances	(88.22)	(387.48)
Proceeds from sale of Property ,plant & equipment	0.00	2.30
Bank deposits not considered as cash and cash equivalents (net)	2,468.97	(798.06)
Interest received	31.67	168.97
Net cash used in investing activities (B)	2,412.42	(1,014.27)
Cash flow from financing activities		
Proceeds / (Repayment) of borrowings	(2,357.81)	4,447.36
Proceeds / (Repayment) of Other borrowings (inclu lease payments)	692.74	1,405.76
Interest paid	(980.17)	(1,065.63)
Dividend paid (including corporate dividend tax)	0.00	(827.02)
Net cash used in financing activities (C)	(2,645.25)	3,960.47
Net increase in cash and cash equivalents(A+B+C)	504.05	(209.52)
Cash and cash equivalents - opening balances	198.81	894.32
Cash and cash equivalents at the end of the period	702.86	684.80
Components of cash and cash equivalents		
Cash on hand	246.77	315.09
Balance with Banks		
On Current Account	456.09	369.71
Total cash and cash equivalents	702.86	684.80



Bale Raveendra



SRINIVAS AND PADMANABHAN

Chartered Accountants

F2, Kanakadhara Lakshmi Castle, 37/14, Chari Street, T.Nagar, Chennai-600 017.
Tel : 044-4556 6616 Email : sapcas@gmail.com

Limited Review Report on unaudited quarterly financial results and year to date results of Thangamayil Jewellery Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors of
Thangamayil Jewellery Limited
Madurai

1. We have reviewed the accompanying Statement of unaudited financial results of Thangamayil Jewellery Limited ("the Company") for the quarter ended 30 September 2020 and year to date results for the period from 01st April 2020 to 30th September 2020 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. 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

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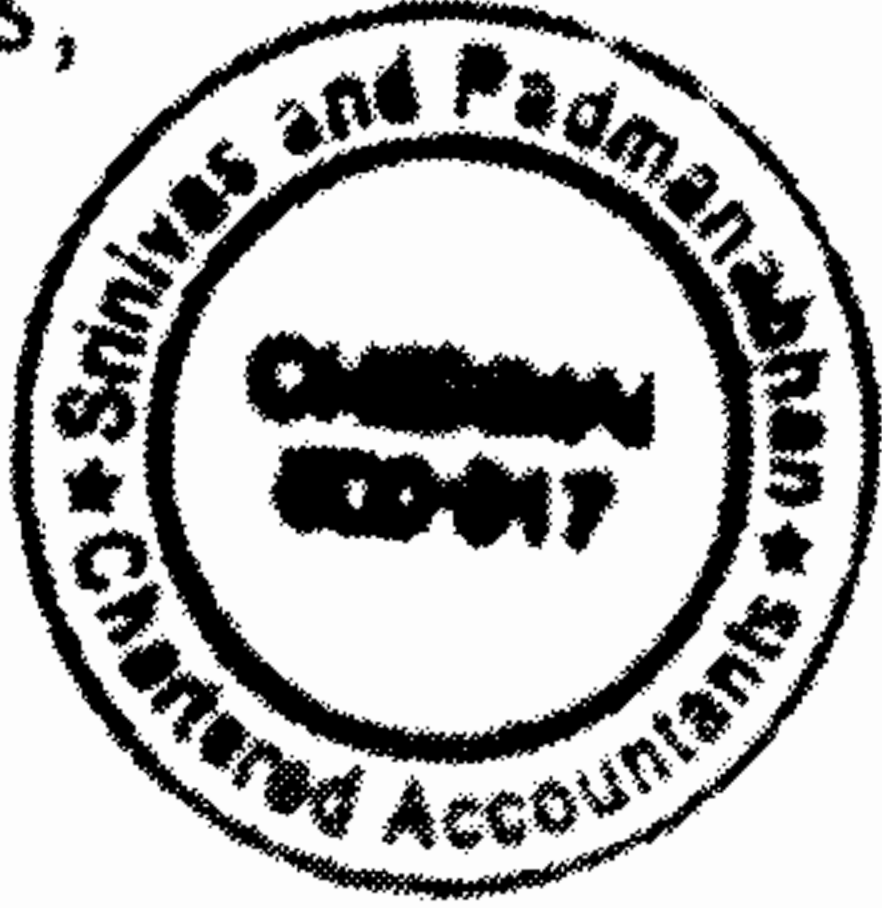
company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Srinivas & Padmanabhan

Chartered Accountants,

F.Reg No: 0040215



K.M. Padmanabhan

Partner

M.No: 026594

Place - Madurai

Date - November 2, 2020

UDIN: 20086594 AAAAC 06720

PERFORMANCE HIGHLIGHTS FOR THE QUARTER& SIX MONTH ENDED 30th SEPTEMBER 2020

ACHIEVED (YOY)(3 Months)

- The sale for the quarter was Rs. 341.66 Crs as against Rs.401.66 Crs for the quarter ended September 2019 registering a decrease by 15%
- Gross profit was at Rs.91.37Crs as against Rs.54.64 Crs in September 2019 registering an increase by 67%.
- EBITDA profit was at Rs.77.84Crs as against profit of Rs.27.28 Crs in September 2019, registering an increase by 185%
- Volume in Gold Ornaments products for the quarter was at 591 Kgs as against 897 Kgs for the quarter ended September 2019 a decrease by 34%.
- Volume in Silver Products for the quarter was at 2,708 Kgs as against 4,530 Kgs for the quarter ended September 2019 a decrease by 40%
- Other expenses include a sum of Rs. 1.10 Crs (previous year Rs.8.15 Crs) accounted as MTM difference for gold price hedging mechanism outstanding as on September 30,2020 as losses in accordance with generally applied treatment for Hedge.

ACHIEVED (Half Yearly - YOY) (6 Months)

- The sale for the half year was Rs. 467.55Crs as against Rs.892.84Crs. The half year performance not strictly comparable because number of days operations is lesser compared to previous half year due to Covid 19 pandemic.
- Gross profit was at Rs.112.25Crs as against Rs.99.90 Crs in September 2019, registering an increase by 12%
- EBITDA profit was at Rs.76.50Crs as against profit of Rs.53.63Crs in September 2019, registering an increase by 43%
- The net profit after taxes(Including comprehensive income) was at Rs.45.69 Crs as against profit Rs.24.62 Crs registering an increase by 86%
- Volume in Gold Ornaments products for the half year was at 844Kgs as against 2,206 Kgs for the half year ended September 2019
- Volume in Silver Products for the half year was at 3,989Kgs as against 10,525Kgs for the half year ended September 2019.



Bal Rane & Co

ACHIEVED (QoQ)

- The sale for the quarter was Rs. 341.66Crs as against Rs.125.89 Crs.
- The Gross profit was at Rs.91.37 Crs as against Rs.20.89 Crs in June 2020 quarter registering an increase by 337% due to better realisation and inventory profit.
- The EBITDA profit for the quarter was at Rs.77.84Crs as against loss of Rs.1.34 Crs of the previous quarter ended 30th June 2020.
- The net profit before taxes was at Rs.70.10Crs as against loss of Rs.8.56Crs in June 2020 quarter.
- Volume in gold ornaments for the quarter ended 30th September 2020, was at 591 Kgs as against 253 Kgs in June 2020.
- Volume in Silver products for the quarter was at 2,708Kgs as against 1,353Kgs for quarter ended June 2020.

Others (half Yearly Results)

S.No	Particulars	30/09/2020	30/09/2019	% Increase/Decrease
1	Cash profit (in Crs)	66.15	42.97	54%
2	Earning Per Shares(Face value of Rs. 10)	33.30	17.95	86%
3	EBIDTA Profit in %	16.36%	6.01%	172%
4	Interest Cover (in times)	7.39	5.05	47%
5	Return on Equity (Annualised) %	34.38%	23.64%	46%
6	Total Outside Liabilities (TOL) in Crs	429.29	517.01	-18%
7	TOL/ TNW (Tangible Networth)	1.61 times	2.48 times	35%
8	Current Ratio	1.69:1	1.37:1	24%
9	Book Value per Share (Face value Rs. 10 each) in Rs	194.00	152.00	28%


Bala Ramesh

About the company

Thangamayil Jewellery Limited (TMJL) a 1800 Crores turnover company is in the business of manufacturing and retailing Gold Ornaments, Silver Articles and diamond products and mainly operating out of 47 retail outlet (including TMJL Plus) spread across southern and western districts of Tamil Nadu. A powerful brand in the areas of operation having large customer base of well over 15 lakhs customers and the brand is a household name in the southern and western Districts of Tamil Nadu.

For more Information, please contact:

CS. V. Vijayaraghavan
Company Secretary
Mobile - 9894149200
Email -
Companysecretary@thangamayil.com

For Media :

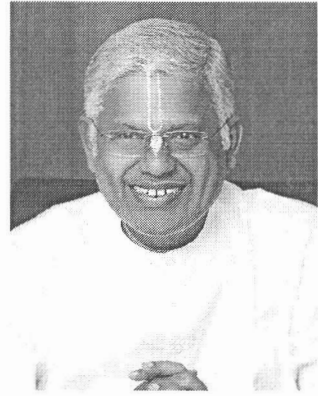
Statement in this document relating to future status, events or circumstances, including without limitation statements about plans and objectives, potential product characteristics and uses, product sales potential are forward-looking statements based on commercial estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may materially differ from those anticipated in such forward-looking statements. Thangamayil Jewellery from time to time, make additional written and oral forward looking statements, including statements contained in the company's filings with the regulatory bodies and its report to shareholders. The Company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors that may or may not be relevant.



Bala Raveendra

Letter from Chairman of Thangamayil Jewellery Limited

In continuation of my communication to you all, at the time of declaration of financial results via Annual Report for 2019-2020, I would like to share certain aspects of performance for the current half year ended 30/09/2020 and the impressions gained in the first month of the Third Quarter that happened to be festive quarter.



As you all know that the Company could work only for 97 days in the 20-21 first half amounting to 53% of active working days. In normal circumstances but for the adverse impact of COVID19, the first half year used to generate more than half the revenue as unique events like "Akshaya Thrithuy" and "AADI perruku" fall in the first half. We used to get 9% of normal sales in the first half on both the events. Due to extended lock down we couldn't get the advantage of two major events as the shops were completely closed.

Inspite of that we could perform relatively better in the bottom line mainly due to improved realisation in sales and implementation of effective Fixed cost management together with better realisation on our own portion of closing inventory resulted on account of improved gold price. The Company has earned a profit after Tax of Rs.4593.74 Lakhs for the Current half year end as against profit of Rs.2464.95 Lakhs for the Half year 30/09/2019 resulting in improvement of 86.36%. The other details of the performance for the half year ended 30/09/20 are given in the report Annexed for release of Unaudited Results for the half year ended 30/09/2020 for the Stock Exchanges which may be referred for better understanding by the Shareholders.

I find a visible change in the positive sales pattern in the month of Oct20 though we have to wait for a confirmation of improved demand trends. Apart from the incremental sales growth by 39% in Value and 13% in Volume YOY that could be contributed by pent up demand emerged, I am hopeful of a structural change in the form of polarization impact taking place in the Retail Jewellery market sooner than later.

A significant increase in the WALK INs post COVID19 era enhances the activity level in our stores concentrated in places where we enjoy a dominant market share for the following reasons.



Balekumar

- a) The uniform Board Rate for gold in the entire Southern States adopted from Oct 20 augurs well for the transparency in pricing that would help in the long term to improve revenues for your company.
- b) Post steep increase in gold price in the last two months the price is almost benign that would bring more **walk in** the days to come in a stable environment.
- c) A definite shift in the positioning as a Retail Brand rather than a Jewellery seller by encompassing enlarged product mix and marketing of other branded products augers well
- d) However it is too early to assess the impact even though it is a fact that the festive quarter stated well for your company. Having got out of COVID 19 constraints, your entire management team is working effectively to optimize the returns for a sustainable growth in the years to come.
- e) After every crisis in the past the Company could speedily adopt itself to changed ground realities.

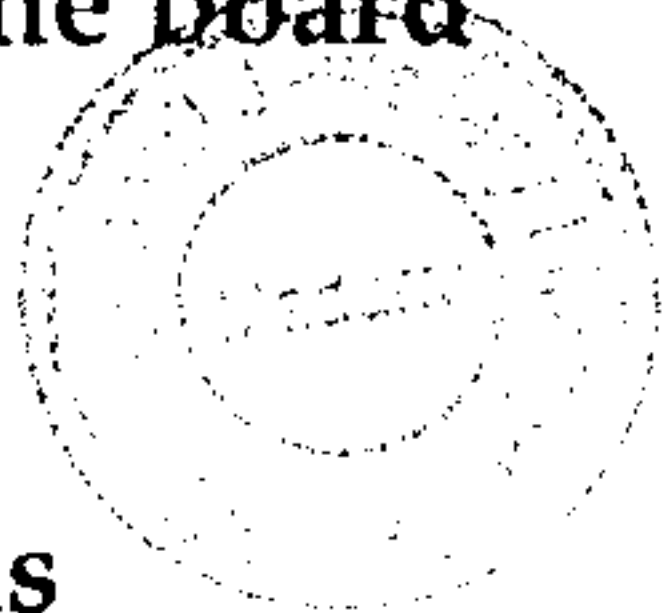
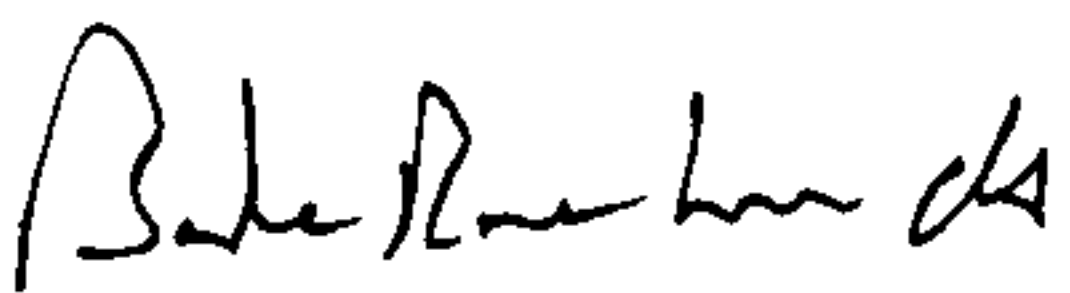
But for unforeseen adversaries, your company is cautiously optimistic to deliver better results in the Second half of the year 20-21 in line with the current emerging demand trends.

Looking forward for yet another rewarding year for the Company

My greeting for all the upcoming festivals and My prayers for the welfare of one and all of TMJL fraternity.

With Regards

For and on behalf of the board



Balarama Govinda Das

Chairman and Managing Director

Performance Highlights for the Half Year ended 30/09/2020

- ✓ The company could do business only on 97 days out of 183 days ie 53% of normal. It reflected in a drop in sales by 48% when compared to 19-20 first half. The two events namely **AkshyaThirutharai & Adi Perruku** that normally contribute to 9% of first half revenue could not be done due to nationwide lock down and stricter extended local lockdown on account of COVID19 imposed by Govt Authorities.

- ✓ However on a reduced turnover of Rs.467.55 Crores, the Company could make a gross profit of Rs.112.25 Crores on actual realisation consists of

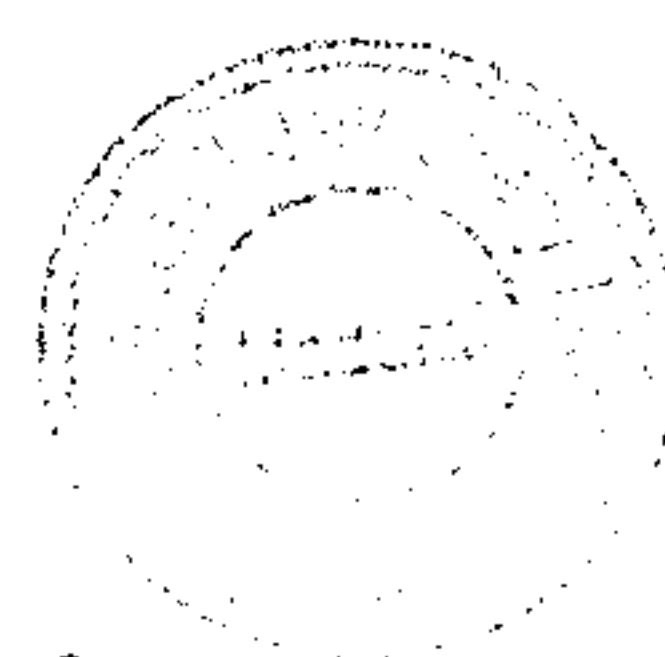
	<u>Rs. In Crores</u>
a) Better realisation of operating profits on sales made	76.90
b) Improved inventory realisation on sales made on a FIFO basis(net) post adjustment for hedging expenses	35.35
TOTAL	112.25

It is an improvement by 12% over 19-20 for reasons stated above

- ✓ Due to effective & appropriate cost management by cutting down on Advertisement & Publicity expenses & lesser incentives on sales and drop in general Admin Expenses, the overall operative expenditure has come down to Rs.32.16 Crores as against Rs.50.52 Crores of 19-20 resulting in a 36% savings on cost.
- ✓ Even though conditions are better with tail wind support of Gold Price movement, the inventory based realisation for future quarters is not certain but is subject to gold price behaviour.

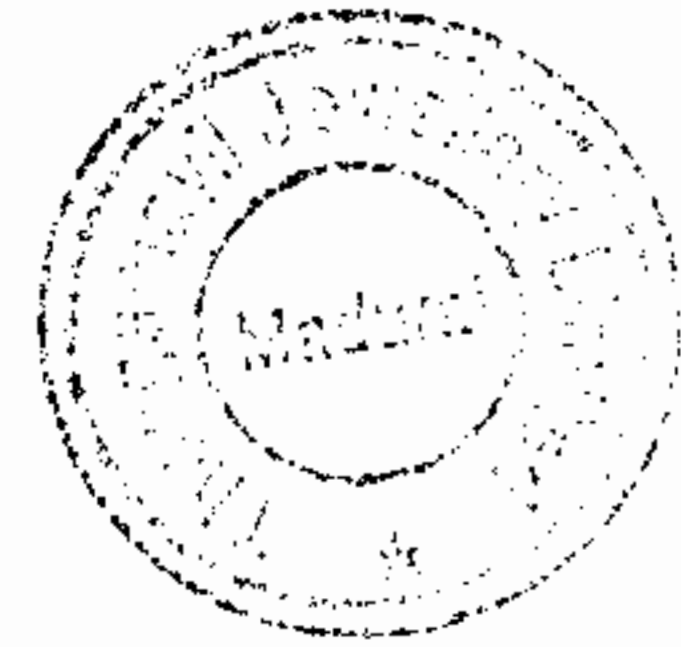
However, the first month of Oct20 of the current quarter has seen a significant improvement in revenue at Rs.205 Crs as compared to same month of 19-20 is Rs. 148 Crs ie 39% growth. Similarly, in volume the month made 377 Kgs in gold ornament as against 335 Kg in Oct 2019.

- ✓ Two more quarters performance is required to ascertain the reasons for the surge in sales in Oct20 resulted out of release of pent up demand or it would have a positive structural factor in the future sales.



Bale Rane

- ✓ The company could reduce its overall Working Capital borrowings by Rs.49.34 Crores in the first half of 20-21 inspite of funding the hedging MTM & Metal loan amounting to Rs.48.96 Crores.
- ✓ On restoration of Normal business, though certain cost may trend southwards on a relative basis it would not be appropriate to expect a repeated savings in expenditure in quarters to come as that of first half of 20-21.
- ✓ All the obligations connected with the conduct of normal business were fulfilled in spite of prolonged lockdown caused by COVID19.
- ✓ Barring unforeseen adversaries the management is cautiously optimistic of the relative revenue growth in the quarters to come.



Bala Ramesh Kumar