

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

Rs. in Lakhs (Excluding Earnings per share)

SI No	Particulars	3 Months Ended on 30th September, 2014 Unaudited	Preceding 3 Months Ended on 30th June, 2014 Unaudited	Corresponding 3 Months ended on 30th September, 2013 Unaudited	Year to date Figures for the current Period ended on 30th September, 2014 Unaudited	Year to date Figures for the previous Period ended on 30th September, 2013 Unaudited	Previous Year Ended on 31st March, 2014 Audited
1	Income From Operations	7,613	7,919	8,158	15,532	15,628	32,910
(a)	Net Sales / Income from operations (net of excise duty)	391	399	490	790	974	1,941
(b)	Other Operating Income						
Total Income From Operations (net)		8,004	8,318	8,648	16,322	16,602	34,851
2	Expenses	2,992	3,453	3,230	6,445	6,386	12,960
(a)	Cost of Materials Consumed	835	495	810	1,330	1,069	1,809
(b)	Purchases of Stock in Trade						
(c)	Change in Inventories of Finished Goods, Work in Progress and Stock in Trade	(193)	(773)	(433)	(966)	(555)	(42)
(d)	Employees Benefits Expense	1,442	1,425	1,435	2,867	2,757	5,464
(e)	Depreciation and Amortization Expense (Refer note 'f' below)	(26)	402	191	376	386	818
(f)	Rent	949	806	717	1,755	1,428	2,977
(g)	Other Expenses	1,956	2,508	2,212	4,464	4,417	9,094
Total Expenses		7,955	8,316	8,162	16,271	15,888	33,080
3	Profit from Operations before Other Income, Finance cost & Exceptional Items (1-2)	49	2	486	51	714	1,771
4	Other Income	739	262	282	1,001	379	663
5	Profit from ordinary activities before finance cost & exceptional items (3+4)	788	264	768	1,052	1,093	2,434
6	Finance Costs	45	39	46	84	93	217
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	743	225	722	968	1,000	2,217
8	Exceptional Items						
Profit from Ordinary Activities before Tax (7+8)		743	225	722	968	1,000	2,217
9	Tax Expense	128	77	212	205	304	724
10	Net Profit from Ordinary Activities After Tax (9-10)	615	148	510	763	696	1,493
11	Extraordinary Items (Net of tax Expense)						
12	Net Profit for the period (11-12)	615	148	510	763	696	1,493
14	Paid-up Equity Share Capital (Face value Rs.10/-per share)	1,941	1,939	1,939	1,941	1,939	1,939
15	Reserve excluding revaluation reserves as per Balance sheet of previous accounting year						
16	Earnings per share (EPS) (Not annualised)	3.17	0.76	2.63	3.93	3.59	7.70
(a)	Basic						
(b)	Diluted	3.15	0.76	2.63	3.91	3.59	7.70

See accompanying notes to the Financial Results

Select information for the quarter and half year ended 30th September, 2014

SI No	Particulars	3 Months Ended on 30th September, 2014	Preceding 3 Months Ended on 30th June, 2014	Corresponding 3 Months ended on 30th September, 2013	Year to date Figures for the current Period ended on 30th September, 2014	Year to date Figures for the previous Period ended on 30th September, 2013	Previous Year Ended on 31st March, 2014
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding	7836673	7831399	7878317	7836673	7878317	7859389
2	Promoters and promoters group shareholding	40.37	40.39	40.63	40.37	40.63	40.53
a)	Pledged/Encumbered	0.00	0.00	0.00	0.00	0.00	0.00
	- Number of Shares	0.00	0.00	0.00	0.00	0.00	0.00
	- Percentage of shares	0.00	0.00	0.00	0.00	0.00	0.00
	(As a % of the total shareholding of promoter and promoter group)						
b)	Non-Encumbered	0.00	0.00	0.00	0.00	0.00	0.00
	- Number of Shares	11575825	11558599	11511681	11575825	11511681	11530609
	- Percentage of shares	100.00	100.00	100.00	100.00	100.00	100.00
	(As a % of the total shareholding of promoter and promoter group)						
	- Percentage of shares	59.63	59.61	59.37	59.63	59.37	59.47
	(As a % of the total share capital of the company)						

Notes

- a) The above standalone unaudited financial results for the quarter and half year ended 30th September 2014 were reviewed by the audit committee, and approved by the Board of Directors on 12th November, 2014. The Statutory Auditors of the Company have carried out a limited review of the above Standalone Unaudited Financial Results in terms of Clause 41 of the Listing agreement.
- b) The Company is exclusively engaged in the business of clothing and clothing accessories. This in the context of Accounting Standard (AS 17) "Segment Reporting", constitutes one single primary segment.
- c) (i) In order to recognise the impact of fluctuation in foreign currency rates arising out of derivative instruments acquired to hedge highly probable forecast transactions and firm commitments in appropriate accounting periods, the company has been consistently applying the principles of hedge accounting set out in the Accounting Standard 30, "Financial Instruments: Recognition and Measurement" issued by The Institute Of Chartered Accountants Of India, whereby the impact of net unrealised losses (or gains) of derivative instruments are carried as a Hedging Reserve to be ultimately set off in the Statement of Profit and loss when the underlying transaction is recognised.
- (iii) The non-derivative financial liabilities in the form of Pre-shipment Export Credit in Foreign Currency (PCEFC) borrowings have been designated as hedging instruments to hedge the highly probable forecast sales in foreign currency.
- (iiii) The balances carried in Hedging Reserve at the end of each reporting period is Rs. 18 lakhs (debit) as at 30th September, 2014, Rs. 38 lakhs (debit) as at 30th June, 2014, Rs. 52 lakhs (debit) as at 30th September 2013 and Rs. 156 lakhs (credit) as at 31st March, 2014.
- (iv) The exchange losses or gains and amortisation of deferred premium cost recognised in these results and included / (netted off) in other expenses / finance costs / other income, as applicable, is Rs. 63 lakhs (loss) for quarter ended 30th September 2014, Rs. 173 lakhs (gain) for quarter ended 30th June 2014, Rs. 427 lakhs (loss) for quarter ended 30th September 2013, Rs. 110 lakhs (gain) for half year ended 30th September 2014, Rs. 512 lakhs (loss) for half year ended 30th September 2013, Rs. 546 lakhs (loss) for the year ended 31st March 2014.
- d) Out of total employee stock options granted under Zodiac Employees Stock Option Plan, 2006, 104,826 employee stock options including bonus entitlement thereon have lapsed till date. During the quarter, 22,500 shares have been allotted to directors on exercise of 15,000 employee stock options after considering the bonus entitlement thereon. Further share application money for 7,500 employee stock options have been received which is pending allotment.

- e) Other expenditure includes Rs. 108 lakhs being provision for remuneration to the Managing Directors for the half year ended 30th September, 2014 (Rs. 82 lakhs for the quarter ended 30th September, 2014) which is dependent upon the Net Profit determinable under section 198 of the Companies Act, 2013 at the year end.
- f) Pursuant to the Companies Act, 2013 ("the Act"), becoming effective from 1st April, 2014, the Company followed Schedule II to the Act for estimating the useful lives of Fixed Assets for the Quarter ended 30th June, 2014. During the quarter ended 30th September, 2014, subsequent to the Notification No. GSR. 627 (E) dated 29th August, 2014, issued by Ministry of Corporate Affairs, the company has reassessed the useful lives of Fixed Assets other than Vehicles based on a technical evaluation carried out by an external agency. Considering the nature of company's business, past experience of usage of assets and external technical evaluation, management believes that the revised useful lives of the assets reflect the periods over which the assets are expected to be used. As a result, there is a net reversal of depreciation / amortization of Rs. 26 lakhs in the results for the quarter ended 30th September, 2014 representing the difference in depreciation / amortization based on the reassessed useful lives and those specified in Part C of Schedule II to the Companies Act, 2013 calculated w.e.f. 1st April, 2014.
- g) During the Current quarter, the Company has invested in 200,000, 8% Cumulative Preference Shares of Rs. 100/- each of Zodiac Finsec and Holdings Limited (a wholly owned subsidiary).
- h) **Statement of Assets and Liabilities:**

Rs. in Lakhs

Particulars	As at 30th September, 2014		As at 31st March, 2014	
	Unaudited		Audited	
EQUITY AND LIABILITIES				
Shareholders' Funds				
(a) Share capital	1,941	1,939		
(b) Reserve and surplus	16,424	15,675		
Share Application money pending allotment	26	-		
Non-current liabilities				
(a) Deferred tax liabilities (net)	459	462		
(b) Long-term provisions	109	95		
Current liabilities				
(a) Short-term borrowings	5,325	4,156		
(b) Trade payables	3,565	3,537		
(c) Other current liabilities	1,424	1,343		
(d) Short-term provisions	377	1,367		
Total	10,691	10,403	28,650	28,574
ASSETS				
Non-current assets				
(a) Fixed assets	9,411	9,077		
(b) Non-current investments	1,585	1,385		
(c) Long-term loans and advances	3,364	3,019		
Total	14,360	13,481		
Current assets				
(a) Current investments	583	1,048		
(b) Inventories	8,258	7,241		
(c) Trade Receivables	2,479	3,232		
(d) Cash and cash equivalents	576	285		
(e) Short-term loans and advances	3,382	3,287		
(f) Other current assets	12	-		
Total	15,290	15,093	29,650	28,574

i) Figures for the previous periods have been regrouped wherever necessary to conform to the current period's classification.

By ORDER OF THE BOARD

A. Y. Noorani
Vice Chairman & Managing Director

Date: 12th November 2014
Place: Mumbai