

ZODIAC CLOTHING COMPANY LIMITED

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CIN: L17100MH1984PLC033143

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2014

Part I		Rs. in Lakhs (Excluding Earnings per share)			
SI No	Particulars	3 Months Ended on 30th June, 2014 Unaudited	Preceding 3 Months Ended on 31st March, 2014 Unaudited (Refer Note "e" below)	Corresponding 3 Months Ended on 30th June, 2013 Unaudited	Previous Year Ended on 31st March, 2014 Audited
1	Income From Operations				
(a)	Net Sales / Income from operations (net of excise duty)	7,919	8,662	7,470	32,910
(b)	Other Operating Income	399	536	484	1,941
	Total Income From Operations (net)	8,318	9,198	7,954	34,851
2	Expenses				
(a)	Cost of Materials Consumed	3,453	3,356	3,156	12,960
(b)	Purchases of Stock in Trade	495	341	259	1,809
(c)	Change in Inventories of Finished Goods, Work in Progress and Stock in Trade	(773)	492	(122)	(42)
(d)	Employees Benefits Expense	1,425	1,336	1,322	5,464
(e)	Depreciation and Amortisation Expense	402	223	195	818
(f)	Other Expenses	3,314	2,903	2,916	12,071
	Total Expenses	8,316	8,651	7,726	33,080
3	Profit from Operations before Other income, Finance cost & Exceptional Items (1-2)	2	547	228	1,771
4	Other Income	262	207	97	663
5	Profit from ordinary activities before finance cost & exceptional items (3+4)	264	754	325	2,434
6	Finance Costs	39	50	47	217
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	225	704	278	2,217
8	Exceptional Items	-	-	-	-
9	Profit from Ordinary Activities before Tax (7+8)	225	704	278	2,217
10	Tax Expense	77	246	92	724
11	Net Profit from Ordinary Activities After Tax (9-10)	148	458	186	1,493
12	Extraordinary items (Net of tax Expense)	-	-	-	-
13	Net Profit for the period (11-12)	148	458	186	1,493
14	Paid-up Equity Share Capital (Face value Rs.10/-per share)	1,939	1,939	1,939	1,939
15	Reserve excluding revaluation reserves as per Balance sheet of previous accounting year.				15,675
16	Earnings per share (EPS) (Not annualised)				
(a)	Basic	0.76	2.36	0.96	7.70
(b)	Diluted	0.76	2.36	0.96	7.70

See accompanying notes to the Financial Results

Part II

Select Information for the quarter ended 30th June 2014

SI No	Particulars	3 Months Ended on 30th June, 2014	Preceding 3 Months Ended on 31st March, 2014	Corresponding 3 Months Ended on 30th June, 2013	Previous Year Ended on 31st March, 2014
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of Shares	7831399	7859389	7883799	7859389
	- Percentage of Shareholding	40.39	40.53	40.66	40.53
2	Promoters and promoters group shareholding				
a)	Pledged/Encumbered				
	- Number of Shares	0.00	0.00	0.00	0.00
	- Percentage of shares	0.00	0.00	0.00	0.00
	(As a % of the total shareholding of promoter and promoter group)				
	- Percentage of shares	0.00	0.00	0.00	0.00
	(As a % of the total share capital of the company)				
b)	Non-Encumbered				
	- Number of Shares	11558599	11530609	11506199	11530609
	- Percentage of shares	100.00	100.00	100.00	100.00
	(As a % of the total shareholding of promoter and promoter group)				
	- Percentage of shares	59.61	59.47	59.34	59.47
	(As a % of the total share capital of the company)				

	Particulars	3 Months ended on 30th June, 2014 (Numbers)
B	Investor Complaints	
	Pending at the beginning of the Quarter	NIL
	Received during the Quarter	NIL
	Disposed of during the Quarter	NIL
	Remaining unresolved at the end of the Quarter	NIL

Notes

- a) The above standalone unaudited financial results for the quarter ended 30th June, 2014 were reviewed by the audit committee, and approved by the Board of Directors on 12th August, 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.
(ii) The non-derivative financial liabilities in the form of Pre-shipment Export Credit in Foreign Currency (PCFC) borrowings have been designated as hedging instruments to hedge the highly probable forecast sales in foreign currency.
(iii) The balances carried in Hedging Reserve at the end of each reporting period is Rs. 38 lakhs (debit) as at 30th June, 2014, Rs. 156 lakhs (credit) as at 31st March, 2014, and Rs. 246 Lakhs (debit) as at 30th June, 2013.
(iv) The exchange losses or gains recognised in these results and included / (netted off) in other expenses / finance costs / other income, as applicable, is Rs. 173 lakhs (Gain) for the 3 months ended 30th June, 2014, Rs. 38 lakhs (Gain) for the Preceding 3 months ended 31st March, 2014, Rs. 85 lakhs (Loss) for the Corresponding 3 months ended 30th June, 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, 101,826 employee stock options including bonus entitlement thereon have lapsed till date. During the quarter, no employee stock options have been exercised.
- e) The figures for the preceding 3 months ended 31st March, 2014 are the balancing figures between the audited figures in respect of the full financial year ended on 31st March, 2014 and published year to date unaudited figures upto the third quarter ended on 31st December, 2013.
- f) Other expenditure includes Rs. 26 lakhs being provision for remuneration to the Managing Directors for the quarter ended 30th June, 2014 which is dependent upon the Net Profit determinable under section 198 of the Companies Act, 2013 at the year end. Further the re-appointment of the Managing directors is subject to approval of the members of the Company at the ensuing Annual General Meeting.
- g) Pursuant to the Companies Act, 2013 ("the Act"), becoming effective from 1st April, 2014, the Company has reworked the depreciation on all the Fixed Assets with reference to the estimated useful lives of Fixed Assets prescribed under Schedule II to the Act. As a result, the charge for depreciation is higher by Rs. 196 lakhs for the quarter ended 30th June, 2014. Further, based on the transitional provision contained in Note 7(b) of Schedule II to the Act an amount of Rs. 70 lakhs (net of Deferred Tax) has been adjusted against the opening balance of retained earnings.
- h) 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 August, 2014
Place: Mumbai