

Please address reply to :



(*Under Licence From M/s. Metropolitan Trading Co.)
ZODIAC CLOTHING COMPANY LTD.
Apte Properties, 10/76, Off Dr. E. Moses Road,
Worli, Mumbai -18. Tel.: 6667 7000 Fax: 6667 7279

3rd November 2010

The National Stock Exchange of India Ltd.,
Exchange Plaza,
5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex
Bandra East,
Mumbai -400 051

Ref: Company Code : ZODIACLOTH

Dear Sir,

Sub : **Unaudited Financial Results for the quarter ended 30th September 2010**
– **Clause 41 of the Listing Agreement.**

With reference to the above subject, we enclose herewith statement showing the details of the unaudited Financial Results of the Company for the quarter ended September 30, 2010 duly reviewed by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on 3rd November 2010.

Please take the same on records and acknowledge receipt of the same.

Thanking you,

Yours faithfully,
For ZODIAC CLOTHING CO. LTD


O. Banerjee
Company Secretary

Encl: As above

ZODIAC CLOTHING COMPANY LIMITED
Regd. Office: 10/76, Off Haines Road, Worli, Mumbai - 400 018
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/ HALF YEAR ENDED 30TH SEPTEMBER 2010

(Rs in Lakhs)

SI No	PARTICULARS	STANDALONE RESULTS SUBJECT TO LIMITED REVIEW BY AUDITORS					CONSOLIDATED RESULTS NOT SUBJECT TO LIMITED REVIEW BY AUDITORS				
		3 MONTHS ENDED ON	3 MONTHS ENDED ON	YEAR TO DATE FIGURES FOR Current Period Ended 30.09.10	YEAR TO DATE FIGURES FOR Previous Period Ended 30.09.09	PREVIOUS ACCOUNTING YEAR ENDED 31.03.2010	3 MONTHS ENDED ON	3 MONTHS ENDED ON	YEAR TO DATE FIGURES FOR Current Period Ended 30.09.10	YEAR TO DATE FIGURES FOR Previous Period Ended 30.09.09	PREVIOUS ACCOUNTING YEAR ENDED 31.03.2010
		30.09.10 Unaudited	30.09.09 Unaudited	Unaudited	Unaudited	Audited	30.09.10 Unaudited	30.09.09 Unaudited	Unaudited	Unaudited	Audited
1(a)	Net Sales	6870	6945	13420	12996	26665	8528	7948	16165	15162	31401
(b)	Other Operating Income	408	411	933	739	1685	496	461	1197	811	1778
	Total Income	7278	7356	14353	13735	28350	9024	8409	17362	15973	33179
2	Expenditure										
(a)	(Increase) / decrease in stock in trade and work in progress	(227)	(208)	(413)	(560)	(316)	(162)	(282)	(397)	(689)	(277)
(b)	Consumption of raw materials	2298	1987	4260	3787	7431	2693	2144	4980	4170	8578
(c)	Purchase of Traded Goods	444	572	944	1111	2297	756	714	1333	1293	2819
(d)	Employees cost	1189	1115	2429	2152	4249	1492	1464	3024	2858	5589
(e)	Depreciation	133	115	254	225	460	163	146	314	284	634
(f)	Other Expenditure	2729	2584	5569	5232	11206	3032	2944	6111	5895	12034
g)	Total Expenditure	6566	6165	13043	11947	25327	7974	7130	15365	13811	29377
3	Profit from Operations before Other income, Interest & Exceptional Items (1-2)	712	1191	1310	1788	3023	1050	1279	1997	2162	3802
4	Other Income	79	99	158	186	376	45	54	93	96	206
5	Profit before Interest & Exceptional Items (3+4)	791	1290	1468	1974	3399	1095	1333	2090	2258	4008
6	Interest	13	35	26	68	119	23	35	36	68	121
7	Profit after Interest but before Exceptional Items (5-6)	778	1255	1442	1906	3280	1072	1298	2054	2190	3887
8	Exceptional Items	-	-	-	-	-	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7+8)	778	1255	1442	1906	3280	1072	1298	2054	2190	3887
10	Tax Expense	262	424	497	661	1175	291	444	553	702	1268
11	Net Profit from Ordinary Activities After Tax (9-10)	516	831	945	1245	2105	781	854	1501	1488	2619
12	Extraordinary items	-	-	-	-	-	-	-	-	-	-
13	Net Profit for the period (11-12)	516	831	945	1245	2105	781	854	1501	1488	2619
14	Paid-up Equity Share Capital (Face value Rs.10/-per share)	1261	839	1261	839	839	1261	839	1261	839	839
15	Reserve excluding revaluation reserves as per Balance sheet of previous accounting year	-	-	-	-	13146	-	-	-	-	17640
16	Earnings per share (EPS)										
(a)	Basic **	4.09	6.61	7.50	9.90	16.73	6.19	6.79	11.91	11.83	20.82
(b)	Diluted **	4.09	6.58	7.50	9.61	16.48	6.19	6.76	11.91	11.48	20.50
17	Public shareholding										
-	Number of Shares	4950543	3297008	4950543	3297008	3288262	4950543	3297008	4950543	3297008	3288262
-	Percentage of Shareholding	39.25	39.31	39.25	39.31	39.18	39.25	39.31	39.25	39.31	39.18
18	Promoters and promoters group shareholding										
a)	Pledged/encumbered										
-	Number of Shares	0.00	0.00	0.00	0.00	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	0.00	0.00	0.00	0.00
-	(As a % of the total shareholding of promoter and promoter group)	0.00	0.00	0.00	0.00	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	0.00	0.00	0.00	0.00
-	(As a % of the total share capital of the company)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b)	Non Encumbered										
-	Number of Shares	7662171	5089518	7662171	5089518	5104414	7662171	5089518	7662171	5089518	5104414
-	Percentage of shares	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
-	(As a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
-	Percentage of shares	60.75	60.69	60.75	60.69	60.82	60.75	60.69	60.75	60.69	60.82
-	(As a % of the total share capital of the company)	60.75	60.69	60.75	60.69	60.82	60.75	60.69	60.75	60.69	60.82



Contd - 2 -

Notes

1. The financial results as reviewed by the Audit Committee were approved and taken on record by the Board of Directors in their meeting held on November 3rd, 2010

2) NOTES ON CONSOLIDATED RESULTS

a). Zodiac Clothing Co Ltd conducts its operation alongwith its subsidiaries. The consolidated financial unaudited statement have been furnished optionally to provide additional information. The financial statements are prepared in accordance with the principles and procedures for the preparation of consolidation of financial statement as set out in the Accounting Standard on Consolidated Financial Statements notified under The Company (Accounting Standards) Rules, 2006. The financial statements of the parent company have been combined on a line-by-line basis by adding together book values of assets, liabilities, income and expenses after eliminating intra group balances and transactions and resulting unrealised gains/losses. The consolidated financial statements are prepared by applying uniform accounting policies and are not subject to review by the Statutory Auditors of the company.

3) NOTES ON STANDALONE RESULTS

a) The Statutory auditors of the company have carried out a limited review of the above Unaudited Financial Results in terms of clause 41 of the listing agreement.

b)

Statement of Assets And Liabilities as on 30 th September 2010 (Rs in Lakhs)		Standalone	
		As at 30.09.10	As at 30.09.09
		Unaudited	Unaudited
Shareholder's Fund			
a) Capital		1261	839
b) Reserves and Surplus		13662	12678
Loan Funds		3021	2924
Deferred Tax Liabilities (Net)		235	209
Total		18179	16650
Fixed Assets		6583	5450
Investments		1287	1287
Current Assets Loans & Advances			
a) Inventories		5944	5496
b) Sundry Debtors		2393	2186
c) Cash & Bank Balances		779	1889
d) Other Current Assets		43	18
e) Loans And Advances		4,836	4,606
Less: Current Liabilities & Provisions			
a) Liabilities		3539	4124
b) Provisions		147	158
Total		18,179	16,650

c) In order to recognise the impact of fluctuation in foreign currency rates arising out of instruments acquired to hedge highly probable forecast transaction in appropriate accounting periods, the company has applied the principles of recognition and measurement set out in the Accounting Standard 30-Financial Instruments -Recognition and Measurement issued by The Institute Of Chartered Accountants Of India. As a result, the impact of unrealised loss (net) consequent to foreign currency fluctuations, in respect of effective hedging instruments represented by forward covers to hedge future exports, and interest on Foreign currency Loans aggregating Rs 52 Lakhs (Previous Period Rs 283 lakhs), are carried as a Hedging Reserve on valuation at the end of each period to be ultimately set off in the profit and loss account when the underlying transaction arises. Other Foreign currency financial assets & liabilities that do not qualify for hedge accounting have been revalued/accounted as on 30.09.10 and the resultant Net (Gain) /Loss aggregating to Rs (15 lakhs) (Previous Year Rs 124 lakhs) has been recognised and Credited/debited to the Profit & loss Account and included in Other Operating Income /Other Expenditure as the case may be in the aforesaid financial results.

d). The company is exclusively engaged in the business of clothing and clothing accessories. This in the context of Accounting Standard (AS 17) "Segment Reporting", notified under The Companies (Accounting Standards) Rules, 2006 constitutes one single primary segment.

e). Out of total employee stock options granted under Zodiac Employees Stock Option Plan, 2006, 24050 employee stock options have lapsed till date. During the quarter, 15,800 employee stock options have been exercised and shares were allotted.

f). There were no investor complaints pending to be resolved either at the beginning or at the end of the quarter. Eight complaints were received during the quarter ended 30th September 2010 that were duly attended to.

g) Pursuant to the approval of the Shareholders at the Annual General Meeting held on 10th August, 2010, the Company issued and allotted 42,04,238 equity shares of Rs 10 each on 25th August, 2010, as fully paid up bonus shares in the proportion of 1 (one) bonus share of Rs 10 each for every existing 2 (two) fully paid up equity shares of Rs 10 each held on the Record Date, i.e. 24th August, 2010.

h)** Pursuant to issue of bonus shares EPS has been restated as per accounting standard (AS-20) "Earnings per share", notified under The Companies (Accounting Standards) Rules, 2006 for the current period as well as the past period/year. The earning per share disclosed above excludes the effect of bonus shares if any, which may be allotted on employee stock options vested but remaining unexercised under the Zodiac Employees' Stock Option Plan, 2006.

i) Previous year/period figures have been regrouped/reclassified, wherever necessary.

Date: 3rd November '10
Place : Mumbai

By ORDER OF THE BOARD

A.Y. Noorani

Vice Chairman & Managing Director

