

ZODIAC CLOTHING COMPANY LIMITED

Regd. Office: Nyloc House 254, D-2 Dr. Annie Besant Road, Worli, Mumbai 400030

Tel : 022-66677000, Fax : 022-66677279, Website : www.zodiaconline.com, Email Id : cosecy@zodiacmtc.com

CIN: L17100MH1984PLC033143

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2014

Part I

Rs. in Lakhs (Excluding Earnings per share)

| SI No | Particulars | 3 Months Ended on 31st December, 2014 Unaudited | Preceding 3 Months Ended on 30th September, 2014 Unaudited | Corresponding 3 Months ended on 31st December, 2013 Unaudited | Year to date Figures for the current Period ended on 31st December, 2014 Unaudited | Year to date Figures for the previous Period ended on 31st December, 2013 Unaudited | Previous Year Ended on 31st March, 2014 Audited |
|-------|---|---|--|---|--|---|---|
| 1 | Income From Operations | | | | | | |
| (a) | Net Sales / Income from operations (net of excise duty) | 7,216 | 7,613 | 8,620 | 22,748 | 24,248 | 32,910 |
| (b) | Other Operating Income | 561 | 391 | 431 | 1,351 | 1,405 | 1,941 |
| | Total Income From Operations (net) | 7,777 | 8,004 | 9,051 | 24,099 | 25,653 | 34,851 |
| 2 | Expenses | | | | | | |
| (a) | Cost of Materials Consumed | 2,629 | 2,992 | 3,218 | 9,074 | 9,604 | 12,960 |
| (b) | Purchases of Stock in Trade | 483 | 835 | 399 | 1,813 | 1,468 | 1,809 |
| (c) | Change in Inventories of Finished Goods, Work in Progress and Stock in Trade | 18 | (193) | 21 | (948) | (534) | (42) |
| (d) | Employees Benefits Expense | 1,465 | 1,442 | 1,371 | 4,332 | 4,128 | 5,464 |
| (e) | Depreciation and Amortization Expense (Refer note 'f' below) | 224 | (26) | 209 | 600 | 595 | 818 |
| (f) | Rent | 923 | 949 | 753 | 2,678 | 2,181 | 2,977 |
| (g) | Other Expenses | 2,032 | 1,956 | 2,570 | 6,496 | 6,987 | 9,094 |
| | Total Expenses | 7,774 | 7,955 | 8,541 | 24,045 | 24,429 | 33,080 |
| 3 | Profit from Operations before Other income, Finance cost & Exceptional Items (1-2) | 3 | 49 | 510 | 54 | 1,224 | 1,771 |
| 4 | Other Income | 109 | 739 | 77 | 1,110 | 456 | 663 |
| 5 | Profit from ordinary activities before finance cost & exceptional items (3+4) | 112 | 788 | 587 | 1,164 | 1,680 | 2,434 |
| 6 | Finance Costs | 71 | 45 | 74 | 155 | 167 | 217 |
| 7 | Profit from ordinary activities after finance costs but before exceptional items (5-6) | 41 | 743 | 513 | 1,009 | 1,513 | 2,217 |
| 8 | Exceptional Items | - | - | - | - | - | - |
| 9 | Profit from Ordinary Activities before Tax (7+8) | 41 | 743 | 513 | 1,009 | 1,513 | 2,217 |
| 10 | Tax Expense | 18 | 128 | 174 | 223 | 478 | 724 |
| 11 | Net Profit from Ordinary Activities after Tax (9-10) | 23 | 615 | 339 | 786 | 1,035 | 1,493 |
| 12 | Extraordinary items (Net of tax Expense) | - | - | - | - | - | - |
| 13 | Net Profit for the period (11-12) | 23 | 615 | 339 | 786 | 1,035 | 1,493 |
| 14 | Paid -up Equity Share Capital (Face value Rs.10/- per share) | 1,944 | 1,941 | 1,939 | 1,944 | 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 | 0.12 | 3.17 | 1.75 | 4.05 | 5.34 | 7.70 |
| (b) | Diluted | 0.12 | 3.15 | 1.75 | 4.02 | 5.34 | 7.70 |

See accompanying notes to the Financial Results

Part II

Select Information for the quarter and nine months ended 31st December, 2014

| SI No | Particulars | 3 Months Ended on 31st December, 2014 | Preceding 3 Months Ended on 30th September, 2014 | Corresponding 3 Months ended on 31st December, 2013 | Year to date Figures for the current Period ended on 31st December, 2014 | Year to date Figures for the previous Period ended on 31st December, 2013 | Previous Year Ended on 31st March, 2014 |
|----------|---|---------------------------------------|--|---|--|---|---|
| A | PARTICULARS OF SHAREHOLDING | | | | | | |
| 1 | Public shareholding | | | | | | |
| | - Number of Shares | 7836011 | 7836673 | 7864355 | 7836011 | 7864355 | 7859389 |
| | - Percentage of Shareholding | 40.32 | 40.37 | 40.56 | 40.32 | 40.56 | 40.53 |
| 2 | Promoters and promoters group shareholding | | | | | | |
| | a) Pledged/Encumbered | | | | | | |
| | - 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) | | | | | | |
| | - Percentage of shares | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | (As a % of the total share capital of the company) | | | | | | |
| | b) Non-Encumbered | | | | | | |
| | - Number of Shares | 11600112 | 11575825 | 11525643 | 11600112 | 11525643 | 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 | 59.68 | 59.63 | 59.44 | 59.68 | 59.44 | 59.47 |
| | (As a % of the total share capital of the company) | | | | | | |

| | Particulars | 3 Months ended on 31st December, 2014 (Numbers) |
|----------|--|---|
| B | Investor Complaints | |
| | Pending at the beginning of the Quarter | - |
| | Received during the Quarter | 4 |
| | Disposed of during the Quarter | 4 |
| | Remaining unresolved at the end of the Quarter | - |

Notes

- The above standalone unaudited financial results for the quarter and nine months ended 31st December 2014 were reviewed by the audit committee and approved by the Board of Directors on 11th February, 2015. 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.
- 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.
- (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. 37 lakhs (debit) as at 31st December, 2014, Rs. 18 lakhs (debit) as at 30th September, 2014, Rs. 58 lakhs (credit) as at 31st December 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. 44 lakhs (loss) for quarter ended 31st December 2014, Rs. 63 lakhs (loss) for quarter ended 30th September 2014, Rs. 72 lakhs (loss) for quarter ended 31st December 2013, Rs. 66 lakhs (gain) for nine months ended 31st December 2014, Rs. 584 lakhs (loss) for nine months ended 31st December 2013, Rs. 546 lakhs (loss) for the year ended 31st March 2014.
- Out of total employee stock options granted under Zodiac Employees Stock Option Plan, 2006, 104826 employee stock options including bonus entitlement thereon have lapsed till date. During the quarter, 23625 shares have been allotted to eligible persons on exercise of 15750 employee stock options after considering the bonus entitlement thereon.

- e) Other expenditure includes Rs. 110 lakhs being provision for remuneration to the Managing Directors for the nine months ended 31st December, 2014 (Rs. 2 lakhs for the quarter ended 31st December, 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, read with 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.
- g) Figures for the previous periods have been regrouped wherever necessary to conform to the current period's classification.

By ORDER OF THE BOARD

Date: 11th February 2015
Place: Mumbai

Sd/-
A.Y.Noorani
Vice Chairman & Managing Director

ZODIAC CLOTHING COMPANY LIMITED

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CIN: L17100MH1984PLC033143

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2014

| Part I | | Rs. in Lakhs (Excluding Earnings per share) | | | | | |
|--------|---|---|--|---|--|--|---|
| SI No | Particulars | 3 Months Ended on 31st December, 2014 Unaudited | Preceding 3 Months Ended on 30th September, 2014 Unaudited | Corresponding 3 Months ended on 31st December, 2013 Unaudited | Year to date Figures for the current Period ended on 31st December, 2014 Unaudited | Year to date Figures for the previous Period ended on 31st December 2013 Unaudited | Previous Year Ended on 31st March, 2014 Audited |
| 1 | Income From Operations | | | | | | |
| (a) | Net Sales / Income from operations (net of excise duty) | 8,863 | 9,134 | 10,097 | 27,434 | 28,445 | 38,906 |
| (b) | Other Operating Income | 609 | 442 | 474 | 1,498 | 1,559 | 2,150 |
| | Total Income From Operations (net) | 9,472 | 9,576 | 10,571 | 28,932 | 30,004 | 41,056 |
| 2 | Expenses | | | | | | |
| (a) | Cost of Materials Consumed | 3,075 | 3,353 | 3,674 | 10,329 | 10,865 | 14,715 |
| (b) | Purchases of Stock in Trade | 976 | 1,306 | 735 | 3,109 | 2,375 | 3,234 |
| (c) | Change in Inventories of Finished Goods, Work in Progress and Stock in Trade | (9) | (239) | 10 | (1,038) | (517) | 7 |
| (d) | Employees Benefits Expense | 1,774 | 1,759 | 1,617 | 5,266 | 4,868 | 6,488 |
| (e) | Depreciation and Amortization Expense (Refer note 'h' below) | 288 | 39 | 268 | 788 | 766 | 1,050 |
| (f) | Other Expenses | 3,091 | 3,009 | 3,532 | 9,547 | 9,698 | 12,598 |
| | Total Expenses | 9,195 | 9,227 | 9,836 | 28,001 | 28,055 | 38,092 |
| 3 | Profit from Operations before Other income, Finance cost & Exceptional Items (1-2) | 277 | 349 | 735 | 931 | 1,949 | 2,964 |
| 4 | Other Income | 75 | (27) | 49 | 298 | 329 | 339 |
| 5 | Profit from ordinary activities before finance cost & exceptional items (3+4) | 352 | 322 | 784 | 1,229 | 2,278 | 3,303 |
| 6 | Finance Costs | 79 | 52 | 82 | 175 | 192 | 249 |
| 7 | Profit from ordinary activities after finance costs but before exceptional items (5-6) | 273 | 270 | 702 | 1,054 | 2,086 | 3,054 |
| 8 | Exceptional Items | - | - | - | - | - | - |
| 9 | Profit from Ordinary Activities before Tax (7+8) | 273 | 270 | 702 | 1,054 | 2,086 | 3,054 |
| 10 | Tax Expense | 53 | 157 | 207 | 318 | 578 | 854 |
| 11 | Net Profit from Ordinary Activities after Tax (9-10) | 220 | 113 | 495 | 736 | 1,508 | 2,200 |
| 12 | Extraordinary items (Net of Tax Expense) | - | - | - | - | - | - |
| 13 | Net Profit for the period (11-12) | 220 | 113 | 495 | 736 | 1,508 | 2,200 |
| 14 | Minority Interest | - | - | - | - | - | - |
| 15 | Net Profit for the period after Minority Interest (13-14) | 220 | 113 | 495 | 736 | 1,508 | 2,200 |
| 16 | Paid -up Equity Share Capital (Face value Rs.10/- per share) | 1944 | 1,941 | 1,939 | 1,944 | 1,939 | 1,939 |
| 17 | Reserve excluding revaluation reserves as per Balance sheet of previous accounting year | | | | | | 24,090 |
| 18 | Earnings per share (EPS) (Not annualised) | | | | | | |
| (a) | Basic | 1.13 | 0.58 | 2.55 | 3.79 | 7.78 | 11.35 |
| (b) | Diluted | 1.13 | 0.57 | 2.55 | 3.77 | 7.78 | 11.35 |

See accompanying notes to the Financial Results

Part II

Select Information for the quarter and nine months ended 31st December, 2014

| SI No | Particulars | 3 Months Ended on 31st December, 2014 | Preceding 3 Months Ended on 30th September, 2014 | Corresponding 3 Months ended on 31st December, 2013 | Year to date Figures for the current Period ended on 31st December, 2014 | Year to date Figures for the previous Period ended on 31st December 2013 | Previous Year Ended on 31st March, 2014 |
|-------|---|---------------------------------------|--|---|--|--|---|
| A | PARTICULARS OF SHAREHOLDING | | | | | | |
| 1 | Public shareholding | | | | | | |
| | - Number of Shares | 7836011 | 7836673 | 7864355 | 7836011 | 7864355 | 7859389 |
| | - Percentage of Shareholding | 40.32 | 40.37 | 40.56 | 40.32 | 40.56 | 40.53 |
| 2 | Promoters and promoters group shareholding | | | | | | |
| | a) Pledged/Encumbered | | | | | | |
| | - 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) | | | | | | |
| | - Percentage of shares | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | (As a % of the total share capital of the company) | | | | | | |
| | b) Non - Encumbered | | | | | | |
| | - Number of Shares | 11600112 | 11575825 | 11525643 | 11600112 | 11525643 | 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 | 59.68 | 59.63 | 59.44 | 59.68 | 59.44 | 59.47 |
| | (As a % of the total share capital of the company) | | | | | | |

| | Particulars | 3 Months ended on 31st December, 2014 (Numbers) |
|---|--|---|
| B | Investor Complaints | |
| | Pending at the beginning of the Quarter | - |
| | Received during the Quarter | 4 |
| | Disposed of during the Quarter | 4 |
| | Remaining unresolved at the end of the Quarter | - |

Notes

- a) The above Consolidated Unaudited financial results for the quarter and nine months ended 31st December 2014 were reviewed by the audit committee and approved by the Board of Directors on 11th February, 2015. The Statutory Auditors of the Company have carried out a limited review of the above Consolidated Unaudited Financial Results in terms of Clause 41 of the Listing agreement.
- b) Zodiac Clothing Company Limited conducts its operations alongwith its subsidiaries. These Consolidated Financial Results are prepared in accordance with the principles and procedures as set out in Accounting Standard - 21 on "Consolidated Financial Statements". The Consolidated Financial Results represent the Consolidated Accounts of Zodiac Clothing Company Limited, with its following Subsidiaries:-

| Name of the Subsidiary Company | Ownership Interest in % |
|------------------------------------|-------------------------|
| Zodiac Finsec and Holdings Limited | 100 |
| Zodiac Clothing Company S.A. | 100 |
| Zodiac Clothing Company (UAE) LLC | 100 |
| Zodiac Clothing Company Inc | 100 |
| Zodiac Properties Limited | 100 |

- c) The Company has opted to publish only Consolidated Financial Results. The Standalone Financial Results of the Company for the quarter and nine months ended 31st December, 2014 will be available on the Company's website viz. www.zodiaconline.com and on the websites of the BSE (www.bseindia.com) and NSE (www.nseindia.com). Additional Information on Standalone basis is as follows:

| (Rs. In Lakhs) | | | | | | |
|-------------------------------|---|--|---|--|--|---|
| Particulars | 3 Months Ended on 31st December, 2014 Unaudited | Preceding 3 Months Ended on 30th September, 2014 Unaudited | Corresponding 3 Months ended on 31st December, 2013 Unaudited | Year to date Figures for the current Period ended on 31st December, 2014 Unaudited | Year to date Figures for the previous Period ended on 31st December 2013 Unaudited | Previous Year Ended on 31st March, 2014 Audited |
| Total Operating Income | 7,777 | 8,004 | 9,051 | 24,099 | 25,653 | 34,851 |
| Profit / (Loss) before Tax | 41 | 743 | 513 | 1,009 | 1,513 | 2,217 |
| Net Profit / (Loss) after Tax | 23 | 615 | 339 | 786 | 1,035 | 1,493 |

- d) Segmentwise Revenue, Results and Capital Employed for the Quarter and nine months ended 31st December, 2014:

| (Rs. In Lakhs) | | | | | | | |
|----------------|--|---|--|---|--|--|---|
| SI No | Particulars | 3 Months Ended on 31st December, 2014 Unaudited | Preceding 3 Months Ended on 30th September, 2014 Unaudited | Corresponding 3 Months ended on 31st December, 2013 Unaudited | Year to date Figures for the current Period ended on 31st December, 2014 Unaudited | Year to date Figures for the previous Period ended on 31st December 2013 Unaudited | Previous Year Ended on 31st March, 2014 Audited |
| 1 | Segment revenue | | | | | | |
| | a) Clothing and Clothing Accessories (Net of excise duty) | 9,371 | 9,481 | 10,501 | 28,646 | 29,783 | 40,703 |
| | b) Investments | 101 | 95 | 70 | 286 | 221 | 353 |
| | Total Revenue (Net of excise duty) | 9,472 | 9,576 | 10,571 | 28,932 | 30,004 | 41,056 |
| 2 | Segment Results | | | | | | |
| | a) Clothing and Clothing Accessories | 210 | 207 | 646 | 883 | 1,924 | 2,850 |
| | b) Investment | 63 | 63 | 56 | 171 | 162 | 204 |
| | Total Profit before Tax | 273 | 270 | 702 | 1,054 | 2,086 | 3,054 |
| 3 | Capital Employed (Segment Assets - Segment Liabilities) | | | | | | |
| | a) Clothing and Clothing Accessories | 21,227 | 21,026 | 23,088 | 21,227 | 23,088 | 20,763 |
| | b) Investment | 5,790 | 5,687 | 3,851 | 5,790 | 3,851 | 5,266 |
| | Total | 27,017 | 26,713 | 26,939 | 27,017 | 26,939 | 26,029 |

- e) (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. 16 lakhs (debit) as at 31st December 2014, Rs. 7 lakhs (credit) as at 30th September 2014, Rs. 111 lakhs (credit) as at 31st December 2013 and Rs. 217 lakhs (credit) as at 31st March 2014.
- (iv) The exchange losses or gains and amortization of deferred premium cost recognised in these results and included / (netted off) in other expenses / finance costs / other income, as applicable, is Rs. 42 lakhs (loss) for the quarter ended 31st December, 2014, Rs. 134 lakhs (loss) for the Preceding quarter ended 30th September, 2014, Rs. 70 lakhs (loss) for the Corresponding quarter ended 31st December, 2013, Rs. 21 lakhs (gain) for nine months ended 31st December 2014, Rs. 472 lakhs (loss) for corresponding nine months ended 31st December 2013, Rs. 447 lakhs (loss) for the year ended 31st March, 2014.
- f) Out of total employee stock options granted under Zodiac Employees Stock Option Plan, 2006, 104826 employee stock options including bonus entitlement thereon have lapsed till date. During the quarter, 23625 shares have been allotted to eligible persons on exercise of 15750 employee stock options after considering the bonus entitlement thereon.

- g) Other expenditure includes Rs. 110 lakhs being provision for remuneration to the Managing Directors for the nine months ended 31st December, 2014 (Rs. 2 lakhs for the quarter ended 31st December, 2014) which is dependent upon the Net Profit determinable under section 198 of the Companies Act, 2013 at the year end.
- h) Pursuant to the Companies Act, 2013 ("the Act"), becoming effective from 1st April, 2014, read with 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.
- i) Figures for the previous periods have been regrouped wherever necessary to conform to the current period's classification.

By ORDER OF THE BOARD

Date: 11th February, 2015

Place: Mumbai

Sd/-

A.Y.Noorani

Vice Chairman & Managing Director