

# ZODIAC

30<sup>th</sup> June, 2021

National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra East Mumbai - 400051 Scrip Code : ZODIACLOTH	BSE Limited, Corporate Relationship Department, First Floor, New Trading Ring, Rotunda Building, P.J. Tower, Dalal Street, Mumbai - 400001 Scrip Code : 521163
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Dear Sirs,

**Sub: Outcome of the Board Meeting held on 30<sup>th</sup> June, 2021**

Pursuant to Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we would like to inform you that the Board of Directors of the Company at their meeting held on 30<sup>th</sup> June, 2021 have interalia considered, approved/taken on record the following:

- a. The Audited Consolidated and Standalone Financial Results of the Company for the Fourth Quarter and Audited Consolidated and Standalone Financial Results of the Company for year ended 31<sup>st</sup> March, 2021.
- b. Independent Auditors Report on the Consolidated and Standalone Financial Results of the Company for the year ended 31<sup>st</sup> March, 2021 with unmodified opinion.
- c. The Board of Directors of the Company have decided to convene the 37<sup>th</sup> Annual General Meeting of the Company on Wednesday, 29<sup>th</sup> September, 2021.
- d. The Board of Directors of the Company have not recommend any Dividend for the year ended 31<sup>st</sup> March, 2021.
- e. The Board of Directors have as a part of the Company's cost reduction measures, decided to consolidate the Company's Whitefield Plant operations with the Company's Yelahanka factory with immediate effect.



**ZODIAC CLOTHING COMPANY LTD.,**

Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai - 400 030, India.

Tel.: +91 22 6667 7000 Fax: +91 22 6667 7279 CIN: L17100MH1984PLC033143

Trademark Under Licence From Metropolitan Trading Co.

[www.zodiaconline.com](http://www.zodiaconline.com)

# ZODIAC

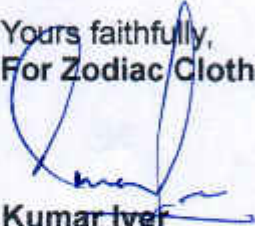
In terms of Regulation 33(3)(d) of Listing Regulations (as amended) and in compliance with SEBI Circular CIR/CFD/CMD/56//2016 dated May 27, 2016 attached is the Declaration duly signed by the Vice Chairman & Managing Director of the Company.

The Board meeting commenced at 4:15 p.m. and concluded at 8:45 p.m.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,  
For Zodiac Clothing Company Limited

  
Kumar Iyer  
Company Secretary  
Membership No.: A9600



Encl: As above

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**ZODIAC CLOTHING COMPANY LIMITED**

Regd. Office: Nylco House 254, D-2 Dr. Annie Besant Road, Worli, Mumbai 400020  
Tel : 022-66677000, Fax : 022-66677279, Website : www.zodiaconline.com, Email id : cosecy@zodiacmlc.com  
CIN: L17300MH1999PLC033143

**STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021**

(Rs. in Lakhs)

Sl. No.	Particulars	Quarter ended			Year ended	
		March 31, 2021 (Refer Note 'd' below)	December 31, 2020 (Unaudited)	March 31, 2020 (Refer Note 'd' below)	March 31, 2021 (Audited)	March 31, 2020 (Audited)
I	Revenue From Operations	3,413	2,790	4,295	10,010	19,082
II	Other Income (Refer Note 'f' below)	459	511	412	2,741	1,214
III	Total Income (I+II)	3,872	3,241	4,707	12,751	20,296
IV	<b>EXPENSES</b>					
	Cost of materials consumed	956	941	1,840	3,284	6,914
	Purchases of stock-in-trade	112	1	70	196	377
	Change in inventories of finished goods, work-in-progress and stock-in-trade	324	296	(132)	815	(453)
	Employee benefits expense	983	826	1,078	3,693	5,425
	Finance costs	205	156	314	904	1,386
	Depreciation and amortization expense	480	481	930	2,339	3,946
	Other expenses	1,364	1,221	1,334	4,287	6,106
	Total expenses (IV)	4,434	3,962	5,424	15,228	23,501
V	Loss before tax (III - IV)	(562)	(721)	(717)	(2,477)	(3,005)
VI	Tax Expense / (Credit):					
	Current tax	-	-	-	119	311
	Deferred tax	(28)	(6)	(61)	(248)	(244)
	Tax in respect of earlier years	(4)	-	35	(4)	25
VII	Loss for the period (V - VI)	(530)	(719)	(681)	(2,998)	(3,897)
VIII	Other comprehensive income					
	(A) (i) Items that will not be reclassified to profit or loss					
	- Remeasurements of net defined benefit plans	73	-	(76)	73	(76)
	- Equity instruments through Other Comprehensive Income	39	95	(594)	52	(1,008)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(12)	-	-	(12)	-
	(B) (i) Items that will be reclassified to profit or loss					
	- Net gains/(losses) on cash flow hedges	(18)	55	(61)	85	(68)
	- Foreign Currency Translation Reserve	19	(15)	211	(27)	285
	(ii) Income tax relating to items that will be reclassified to profit or loss	(17)	-	34	(30)	26
	Total other comprehensive income	84	134	(406)	141	(826)
IX	Total comprehensive income for the period, (VII + VIII)	(446)	(579)	(1,177)	(2,797)	(5,793)
X	Loss attributable to:					
	Owners of the Company	(528)	(719)	(681)	(2,938)	(3,897)
	Non Controlling Interest	-	-	-	-	-
XI	Other comprehensive income attributable to:					
	Owners of the Company	84	134	(456)	141	(896)
	Non Controlling Interest	-	-	-	-	-
XII	Total comprehensive income attributable to:					
	Owners of the Company	(446)	(579)	(1,177)	(2,797)	(5,793)
	Non Controlling Interest	-	-	-	-	-
XIII	Paid-up equity share capital (Face value Rs. 10/- per share)	2,476	2,248	2,248	2,476	2,248
XIV	Other Equity	-	-	-	23,137	23,662
XV	Loss per share (EPS) (not annualized) (in Rs.)					
	(1) Basic	(2.99)	(3.17)	(3.03)	(13.04)	(13.10)
	(2) Diluted	(2.35)	(3.17)	(3.03)	(13.04)	(13.10)



## ZODIAC CLOTHING COMPANY LIMITED

### NOTES TO CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

- a) The above consolidated financial results are prepared in compliance with Indian Accounting Standards ("Ind AS") as notified under section 133 of the Companies Act, 2013 ("the Act") (Companies (Indian Accounting Standards) Rules, 2015) as amended.
- b) The consolidated financial results for the quarter and year ended March 31, 2021 ("the Statement") were reviewed by the Audit Committee and approved by the Board of Directors of Zodiac Clothing Company Limited ("the Company") at their meeting held on June 30, 2021.
- c) The consolidated financial results includes the results of subsidiary companies viz. Zodiac Clothing Company S.A., Zodiac Clothing Co. (U.A.E) LLC and Zodiac Clothing Bangladesh Limited (the Company and its subsidiaries together referred to as 'the Group').
- d) The figures for the last quarter are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures up to third quarter of the financial year.
- e) The Group is exclusively engaged in the business of clothing and clothing accessories. This in the context of Indian Accounting Standard (Ind AS 108) "Operating Segments", constitutes one single operating segment.
- f) The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS 116 - Leases, by inserting a practical expedient for "Covid-19-Related Rent Concessions". Pursuant to the said amendment, the Group has applied the practical expedient with effect from April 01, 2020 in respect of leases, where negotiations have been completed, by accounting the unconditional rent concessions of Rs. 48 Lakhs during the quarter ended March 31, 2020 and Rs. 1,152 Lakhs during the year ended March 31, 2021 in "Other income" in the Statement of Profit and Loss.

Further, gain on termination of lease contracts amounting to Rs. 24 Lakhs during the quarter ended March 31, 2021 and Rs. 615 Lakhs during the year ended March 31, 2021 has been recognised in "Other Income" in the Statement of Profit and Loss.

- g) The Company has allotted 22,81,654 equity shares of face value of Rs. 10 each at a premium of Rs. 99.50 per equity share on preferential basis to two promoters of the Company on March 23, 2021 and March 25, 2021 equally amounting to Rs.2,500 Lakhs.
- h) The Code on Social Security, 2020 ("Code") relating to employee benefits received Presidential assent in September 2020. However, the date on which the Code will come into effect has not yet been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- i) The Central/State Government authorities had imposed various restrictions to control the spread of Covid-19 pandemic during the year and consequently, the low market demand had affected the Group's operations for the year ended March 31, 2021. However, the Group had taken various steps including cost reduction measures, bringing in operational synergies etc. to ensure sufficient liquidity for the Group's operations. Towards the end of the current year, the second wave of Covid-19 pandemic hit the country and has once again resulted in disruption of business as State government authorities had announced partial/complete lockdown. With easing of certain restrictions in June 2021 by State government authorities, the Management expects demand to revive. The Group's Management has done an assessment of the situation (including the liquidity position after taking into consideration continuing cost reduction measures, available investments, surplus funds with the Group, undrawn bank facilities etc.) and carrying value of all its assets and liabilities as at March 31, 2021, and concluded that there are no material adjustments required in the consolidated financial statements as at March 31, 2021. However, the impact assessment due to COVID-19 is a continuing process given the uncertainty associated with its nature and duration. The Group will continue to monitor any material changes as the situation evolves.
- j) Refer Annexure 1 and 2 for Statement of Consolidated Assets and Liabilities and Statement of Consolidated Cash Flows respectively.

Place : Mumbai  
Date : June 30, 2021



For and on behalf of the Board of Directors

S. Y. NOORANI  
Vice Chairman & Managing Director

## CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2021

(Rs. in Lakhs)

	Particulars	As at	As at
		March 31, 2021	March 31, 2020
		(Audited)	(Audited)
I	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	Property, plant and equipment	9,955	11,230
	Right-of-use assets	3,858	7,135
	Capital work - in - progress	178	187
	Investment properties	1,132	745
	Intangible assets	162	211
	Financial assets		
	- investments	3,001	2,663
	- Loans	1,147	955
	- Other financial assets	1	1
	Deferred tax assets (net)	1,565	1,572
	Non - Current tax assets (net)	1,050	1,325
	Other non - current assets	655	333
2	<b>Current assets</b>		
	Inventories		8,823
	Financial assets	7,693	
	- Investments	621	165
	- Trade receivables	1,794	1,751
	- Cash and cash equivalents	1,723	1,926
	- Bank Balances other than cash and cash equivalents	45	277
	- Loans	1,413	2,236
	- Other financial assets	131	601
	Current tax assets (net)	235	-
	Other current assets	2,190	2,549
	<b>TOTAL ASSETS</b>	<b>38,499</b>	<b>44,685</b>
II	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
	Equity share capital	2,476	2,248
	Other equity	23,137	23,662
2	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	Financial liabilities		
	- Borrowings	813	1,672
	- Lease Liabilities	3,089	5,619
	- Other financial liabilities	23	-
	Provisions	5	1
	Deferred tax liabilities	541	653
	Other non-current liabilities	36	-
	<b>Current liabilities</b>		
	Financial liabilities		
	- Borrowings	3,561	4,299
	- Lease Liabilities	1,503	2,534
	- Trade payables		
	(a) total outstanding dues of micro enterprises and small enterprises; and	54	38
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	2,276	2,217
	- Other financial liabilities	152	670
	Provisions	89	140
	Other current liabilities	744	932
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>38,499</b>	<b>44,685</b>



**ZODIAC CLOTHING COMPANY LIMITED**

Annexure - 2

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in Lakhs)

Particulars	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
	(Audited)	(Audited)
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Loss before tax		
Adjustments for:	(2,977)	(3,005)
Depreciation and amortization expenses		
Finance costs	2,539	3,546
Unrealised exchange gain on foreign currency translation / transaction (net)	904	1,386
Dividend income	(30)	(21)
Dividend income on financial assets measured at fair value through Other Comprehensive Income	(10)	(53)
Rent income	-	(4)
Unwinding of discount on security deposits	(140)	(386)
Interest income	(78)	(106)
Net gain on financial assets measured at fair value through profit or loss	(19)	(12)
Bad and doubtful debts, advances, loans and deposits written off	(554)	(219)
Rent Concessions (COVID 19)	266	85
Gain on termination / renegotiation of lease contracts	(1,152)	-
Net Loss on sale/discard of property, plant and equipment	(615)	(173)
Operating (loss) / profit before working capital changes	192	37
	(1,874)	1,075
Adjustments for:		
Decrease in trade and other receivables		
(Increase)/decrease in inventories	476	594
(Decrease) in trade and other payables	1,130	(99)
Increase/(decrease) in provisions	(547)	(382)
	27	(57)
Less: Direct taxes paid (net of refunds)	(788)	1,181
Net cash generated from / (used in) operating activities	(70)	(112)
	(858)	1,069
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
<b>Inflows</b>		
Sale proceeds of property, plant and equipment		
Interest received	38	5
Rent received	15	13
Sale proceeds of non-current investments	244	386
Sale proceeds of current investments (Net)	386	983
Dividend received	-	966
Proceeds of Sale of investments in Subsidiary (sold in earlier year)	10	57
Loan received back	523	1,372
Proceeds from Term Deposits (Net)	85	-
	231	477
<b>Outflows</b>	1,552	4,259
Purchase of property, plant and equipment/ intangible assets		
Purchase of current investments (Net)	(153)	(455)
Purchase of non-current investments	(425)	-
Loans given	(159)	(183)
	-	(315)
Net cash generated from investing activities	(237)	(553)
	815	3,306
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<b>Inflows</b>		
Proceeds from issue of equity shares (including securities premium) / share warrants	2,500	500
Proceeds from non-current borrowings	1,095	1,672
	3,595	2,172
<b>Outflows</b>		
Repayment of non-current borrowings		
Repayment of current borrowings (net)	(2,014)	(211)
Payment of principal portion of lease liabilities	(736)	(1,778)
Interest paid on lease liabilities	(77)	(2,233)
Interest paid on others	(478)	(940)
Dividend paid	(448)	(444)
	-	(213)
Net cash used in financing activities	(3,755)	(5,799)
	(160)	(3,627)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
Add: Cash and cash equivalents at beginning of the year	(203)	748
Cash and cash equivalents at end of the year	1,926	1,178
	1,723	1,926
<b>Non-cash financing and investing activities</b>		
- Acquisition of right-of-use assets	342	859

\* Amount is below the rounding off norms adopted by the Group.



# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Zodiac Clothing Company Limited

Report on the Audit of Consolidated Financial Results

### Opinion

1. We have audited the consolidated annual financial results of Zodiac Clothing Company Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), (Refer note c to the consolidated annual financial results) for the year ended March 31, 2021 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'), which has been initiated by us for identification purposes
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial results:
  - (i) include the annual financial results of the subsidiaries " Zodiac Clothing Co. (U.A.E) LLC, Zodiac Clothing Company S.A and Zodiac Clothing Bangladesh Limited.
  - (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
  - (iii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Group for the year ended March 31, 2021 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Results' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: ULLP/AN/001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754/N/IN500016 (ICAI registration number before conversion was 012754)



## **Price Waterhouse Chartered Accountants LLP**

### **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of Zodiac Clothing Company Limited

Report on the Consolidated Financial Results

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### **Emphasis of Matter**

4. We draw your attention to Note i to the consolidated financial results, which explain the uncertainties and the management's assessment of the financial impact due to restrictions and other conditions related to the Covid-19 pandemic, for which a definitive assessment of the impact in the subsequent period is dependent upon circumstances as they evolve. Our opinion is not modified in respect of the matter.

### **Board of Directors' Responsibilities for the Consolidated Financial Results**

5. These consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net loss and other comprehensive income and other financial information of the Group and the consolidated statement of assets and liabilities and the consolidated statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.
6. In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:





## Price Waterhouse Chartered Accountants LLP

### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Zodiac Clothing Company Limited  
Report on the Consolidated Financial Results  
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- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 14 below)
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
11. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

### Other Matters

12. We did not audit the financial statements of three subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 3,878 lakhs and net assets of Rs. 3,678 lakhs as at March 31, 2021, total revenues of Rs. 1,385 lakhs and total comprehensive income (comprising of profit and other comprehensive income) of Rs. 728 lakhs for the year ended March 31, 2021 and cash inflows (net) of Rs. 252 lakhs for the year ended March 31, 2021, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 11 above.



## Price Waterhouse Chartered Accountants LLP

### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Zodiac Clothing Company Limited


Report on the Consolidated Financial Results

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Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

13. The consolidated financial results include the results for the quarter ended March 31, 2021, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.
14. The consolidated annual financial results dealt with by this report have been prepared for the express purpose of filing with the stock exchanges. These results are based on and should be read with the audited consolidated financial statements of the Group for the year ended March 31, 2021 on which we have issued an unmodified audit opinion vide our report dated June 30, 2021.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Sachin Parekh  
Partner

Membership Number: 107038  
UDIN: 21107038AAAAEP1838

Place: Mumbai  
Date: June 30, 2021

**ZODIAC CLOTHING COMPANY LIMITED**

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CIN: L17300MH1994PLC0983143

**STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021**

(Rs in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2021 (Refer Note 'c' below)	December 31, 2020 (Unaudited)	March 31, 2020 (Refer Note 'c' below)	March 31, 2021 (Audited)	March 31, 2020 (Audited)
I	Revenue From Operations	3,414	2,741	4,289	9,995	18,939
II	Other Income (Refer Note 'e' below)	434	501	378	3,254	1,744
III	<b>Total Income (III)</b>	<b>3,848</b>	<b>3,242</b>	<b>4,667</b>	<b>13,249</b>	<b>20,683</b>
IV	<b>EXPENSES</b>					
	Cost of materials consumed	956	941	1,840	3,394	6,911
	Purchases of stock-in-trade	103	2	65	114	357
	Change in inventories of finished goods, work-in-progress and stock-in-trade	507	313	(142)	814	(501)
	Employee benefits expense	976	820	1,072	3,838	5,401
	Finance costs	205	186	324	904	1,386
	Depreciation and amortization expense	483	473	900	2,306	3,515
	Other expenses	1,347	1,193	1,247	4,206	3,948
	<b>Total expenses (IV)</b>	<b>4,383</b>	<b>3,998</b>	<b>5,306</b>	<b>15,566</b>	<b>23,018</b>
V	<b>Loss before tax (II - IV)</b>	<b>(535)</b>	<b>(696)</b>	<b>(639)</b>	<b>(2,317)</b>	<b>(2,335)</b>
VI	<b>Tax Expense / (Credit):</b>					
	Current tax	-	-	-	113	110
	Deferred tax	(29)	-	(84)	(35)	(388)
	Tax in respect of earlier years	(4)	-	25	(4)	25
VII	<b>Loss for the period (V - VI)</b>	<b>(502)</b>	<b>(696)</b>	<b>(590)</b>	<b>(2,391)</b>	<b>(2,382)</b>
VIII	<b>Other comprehensive income</b>					
	(A) (i) Items that will not be reclassified to profit or loss					
	- Remeasurements of net defined benefit plans	73	-	(76)	73	(76)
	- Equity Instruments through Other Comprehensive Income	39	95	(594)	52	(1,003)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(12)	-	-	(12)	-
	(B) (i) Items that will be reclassified to profit or loss					
	- Net gains/(losses) on cash flow hedges	7	55	(86)	110	(93)
	(ii) Income tax relating to items that will be reclassified to profit or loss	(27)	-	24	(30)	20
	<b>Total other comprehensive income</b>	<b>90</b>	<b>150</b>	<b>(732)</b>	<b>193</b>	<b>(1,146)</b>
IX	<b>Total comprehensive income for the period (VII + VIII)</b>	<b>(412)</b>	<b>(546)</b>	<b>(1,312)</b>	<b>(2,198)</b>	<b>(3,278)</b>
X	Paid-up equity share capital (Face value Rs. 10/- per share)	2,476	2,248	2,248	2,476	2,248
XI	Other Equity				20,326	20,252
XII	<b>Loss per share (EPS) (not annualized) (in Rs.)</b>					
	(1) Basic	(2.29)	(3.10)	(2.58)	(10.61)	(9.65)
	(2) Diluted	(2.29)	(3.10)	(2.58)	(10.61)	(9.65)



## ZODIAC CLOTHING COMPANY LIMITED

### NOTES TO STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

- a) The above standalone financial results are prepared in compliance with Indian Accounting Standards (Ind AS) as notified under section 133 of the Companies Act, 2013 ("the Act") (Companies (Indian Accounting Standards) Rules, 2015), as amended.
- b) The standalone financial results for the quarter and year ended March 31, 2021 (the Statement) were reviewed by the Audit Committee and approved by the Board of Directors of Zodiac Clothing Company Limited (the Company) at their meeting held on June 30, 2021.
- c) The figures for the last quarter are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures up to third quarter of the financial year.
- d) The Company is exclusively engaged in the business of clothing and clothing accessories. This in the context of Indian Accounting Standard (Ind AS 108) "Operating Segments", constitutes one single operating segment.
- e) The Ministry of Corporate Affairs vide notification dated July 24, 2020 issued an amendment to Ind AS 116 - Leases, by inserting a practical expedient for "Covid-19-Related Rent Concessions". Pursuant to the said amendment, the Company has applied the practical expedient with effect from April 01, 2020 in respect of leases where negotiations have been completed, by accounting the unconditional rent concessions of Rs. 48 Lakhs during the quarter ended March 31, 2021 and Rs. 1,152 Lakhs during the year ended March 31, 2021 in "Other Income" in the Statement of Profit and Loss.

Further, gain on termination of lease contracts amounting to Rs. 24 Lakhs during the quarter ended March 31, 2021 and Rs. 615 Lakhs during the year ended March 31, 2021 has been recognised in "Other Income" in the Statement of Profit and Loss.

- f) The Company has allotted 22,81,854 equity shares of face value of Rs. 10 each at a premium of Rs. 99.56 per equity share on preferential basis to two promoters of the Company on March 23, 2021 and March 25, 2021 equally amounting to Rs. 2,500 Lakhs.
- g) The Code on Social Security, 2020 ("Code") relating to employee benefits received Presidential assent in September 2020. However, the date on which the Code will come into effect has not yet been notified. The Company will assess the impact of the Code when it comes into effect and will report any related impact in the period the Code becomes effective.
- h) The Central/State Government authorities had imposed various restrictions to control the spread of Covid-19 pandemic during the year and consequently, the low market demand had affected the Company's operations for the year ended March 31, 2021. However, the Company had taken various steps including cost reduction measures, bringing in operational synergies etc. to ensure sufficient liquidity for the Company's operations. Towards the end of the current year, the second wave of Covid-19 pandemic hit the country and has once again resulted in disruption of business as State government authorities had announced partial/complete lockdown. With easing of certain restrictions in June 2021 by State government authorities, the Management expects demand to revive. The Company's Management has done an assessment of the situation (including the liquidity position after taking into consideration continuing cost reduction measures, available investments, surplus funds with the Group, undrawn bank facilities etc.), and carrying value of all its assets and liabilities as at March 31, 2021, and concluded that there are no material adjustments required in the standalone financial statements as at March 31, 2021. However, the impact assessment due to COVID-19 is a continuing process given the uncertainty associated with its nature and duration. The Company will continue to monitor any material changes as the situation evolves.

- i) Refer Annexure 1 and 2 for Statement of Standalone Assets and Liabilities and Statement of Standalone Cash Flows respectively.

Place : Mumbai  
Date : June 30, 2021



For and on behalf of the Board of Directors

S. Y. MOORANI  
Vice Chairman & Managing Director

ZODIAC CLOTHING COMPANY LIMITED

Annexure - 1

STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2021

(Ru. in Lakhs)

	Particulars	As at	As at
		March 31, 2021	March 31, 2020
		(Audited)	(Audited)
<b>i</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	Property, plant and equipment	9,723	10,999
	Right-of-use assets	3,858	7,135
	Capital work - in - progress	5	187
	Investment properties	1,132	745
	Intangible assets	182	211
	Investments in subsidiary	66	66
	Financial assets		
	- Investments	3,001	2,563
	- Loans	1,129	931
	- Others financial assets	1	1
	Deferred tax assets (net)	1,565	1,572
	Non - Current tax assets (net)	1,050	1,325
	Other non - current assets	509	184
<b>2</b>	<b>Current assets</b>		
	Inventories	7,693	8,822
	Financial assets		
	- Investments	621	165
	- Trade receivables	1,674	1,598
	- Cash and cash equivalents	91	546
	- Bank Balances other than cash and cash equivalents	43	49
	- Loans	175	901
	- Other financial assets	85	6
	Current tax assets (net)	235	-
	Other current assets	2,157	1,509
<b>3</b>	<b>Assets classified as held for sale</b>	179	-
	<b>TOTAL ASSETS</b>	<b>35,148</b>	<b>40,615</b>
<b>ii</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
	Equity share capital	2,475	2,248
	Other equity	20,326	20,252
<b>2</b>	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	Financial liabilities		
	- Borrowings	813	1,672
	- Lease liabilities	3,089	5,619
	- Other financial liabilities	23	-
	Other non-current liabilities	36	-
	<b>Current liabilities</b>		
	Financial liabilities		
	- Borrowings	3,561	4,299
	- Lease liabilities	1,503	2,534
	- Trade payables		
	(a) total outstanding dues of micro enterprises and small enterprises; and	54	38
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	2,292	2,722
	- Other financial liabilities	149	667
	Provisions	85	134
	Other current liabilities	741	930
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>35,148</b>	<b>40,615</b>



## STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in Lakhs)

Particulars	Year Ended	Year Ended
	31st March, 2021	31st March, 2020
	(Audited)	(Audited)
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Loss before tax	(2,317)	(2,335)
Adjustments for:		
Depreciation and amortization expenses	2,306	3,515
Finance costs	904	1,386
Unrealised exchange gain on foreign currency translation / transaction (net)	(30)	(21)
Dividend income	(685)	(707)
Dividend income on financial assets measured at fair value through Other Comprehensive Income	*	(4)
Rent income	(140)	(386)
Unwinding of discount on security deposits	(78)	(107)
Interest income	(16)	(4)
Net gain on financial assets measured at fair value through profit or loss	(554)	(219)
Rent Concessions (COVID-19)	(1,152)	-
Gain on termination / remeasurement of lease contracts	(615)	(172)
Bad and doubtful debts, advances, loans and deposits written off	262	80
Net loss on sale/discard of property, plant and equipment	184	37
Operating (loss) / profit before working capital changes	(1,931)	1,082
Adjustments for:		
Decrease in trade and other receivables	457	426
(Increase)/decrease in inventories	1,129	(138)
(Decrease) in trade and other payables	(537)	(200)
(Decrease)/increase in provisions	24	(60)
Less: Direct taxes paid (net of refunds)	(858)	1,090
Net cash generated from / (used in) operating activities	(70)	(111)
	(928)	979
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
<b>Inflows</b>		
Sale proceeds of property, plant and equipment	30	5
Interest received	11	4
Rent received	244	386
Sale proceeds of non-current investments	398	983
Sale proceeds of current investments (Net)	-	966
Dividend received	665	711
Proceeds from Term Deposits (Net)	4	-
	1,370	3,055
<b>Outflows</b>		
Purchase of property, plant and equipment / intangible assets	(153)	(418)
Purchase of non-current investments	(199)	(183)
Purchase of current investments (Net)	(425)	-
Investment in Term Deposits (Net)	-	(7)
	(737)	(608)
Net cash generated from investing activities	633	2,447
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<b>Inflows</b>		
Proceeds from issue of equity shares (including securities premium) / share warrants	2,500	500
Proceeds from non-current borrowings	1,095	1,672
	3,595	2,172
<b>Outflows</b>		
Repayment of non-current borrowings	(2,014)	(211)
Repayment of current borrowings (Net)	(738)	(1,448)
Payment of principal portion of lease liabilities	(77)	(2,213)
Interest paid on lease liabilities	(478)	(340)
Interest paid on others	(443)	(444)
Dividend paid	-	(213)
	(3,755)	(5,469)
Net cash used in financing activities	(160)	(3,297)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(455)	129
Add: Cash and cash equivalents at beginning of the year	546	417
Cash and cash equivalents at end of the year	91	546
<b>Non-cash financing and investing activities</b>		
- Acquisition of right-of-use assets	342	859

\* Amount is below the rounding off norms adopted by the Company.



# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Zodiac Clothing Company Limited

### Report on the Audit of Standalone Financial Results

#### Opinion

1. We have audited the standalone annual financial results of Zodiac Clothing Company Limited (hereinafter referred to as the 'Company') for the year ended March 31, 2021 and the standalone statement of assets and liabilities and the standalone statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'), which has been initiated by us for identification purposes.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
  - (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
  - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2021 and the standalone statement of assets and liabilities and the standalone statement of cash flows as at and for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Results' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

4. We draw your attention to Note (h) of the standalone financial results, which explains the uncertainties and the management's assessment of the financial impact due to restrictions and other conditions related to the Covid-19 pandemic, for which a definitive assessment of the impact in the subsequent period is dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity and ICAI registration number 012754) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754/N/NS00016 (ICAI registration number before conversion was 012754)



# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Zodiac Clothing Company Limited

Report on the Standalone Financial Results

Page 2 of 3

### Board of Directors' Responsibilities for the Standalone Financial Results

5. These standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net loss and other comprehensive income and other financial information of the Company and the standalone statement of assets and liabilities and the standalone statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone financial results by the Directors of the Company, as aforesaid.
6. In preparing the standalone financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

### Auditor's Responsibilities for the Audit of the Standalone Financial Results

8. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 12 below)





## Price Waterhouse Chartered Accountants LLP

### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Zodiac Clothing Company Limited  
Report on the Standalone Financial Results  
Page 3 of 3

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matters

11. The standalone financial results include the results for the quarter ended March 31, 2021, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.
12. The standalone annual financial results dealt with by this report has been prepared for the express purpose of filing with the stock exchanges. These results are based on and should be read with the audited standalone financial statements of the Company for the year ended March 31, 2021 on which we issued an unmodified audit opinion vide our report dated June 30, 2021.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Sachin Parekh  
Partner  
Membership Number: 107038  
UDIN: 21107038AAAAEL2383

Place: Mumbai  
Date: June 30, 2021

# ZODIAC

## Declaration

I, S. Y. Noorani, Vice Chairman & Managing Director on behalf of the Board of Directors of Zodiac Clothing Company Limited ("Company") having CIN: L17100MH1984PLC033143 hereby declare that Price Waterhouse Chartered Accountants LLP, the Statutory Auditors of the Company have given an Audit Report with unmodified/unqualified opinion on Audited Consolidated and Standalone Financial Results of the Company for the Financial Year ended 31<sup>st</sup> March, 2021.

This declaration is issued in compliance of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 as amended by the SEBI Circular No. CIR/CFD/CMD/56/2016 dated on 27<sup>th</sup> May, 2016.

For Zodiac Clothing Company Limited

  
S. Y. Noorani  
Vice Chairman & Managing Director  
DIN: 00068423



Date: 30<sup>th</sup> June, 2021

Place: Mumbai

**ZODIAC CLOTHING COMPANY LTD.,**

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