

ZODIAC

12th November, 2016

National Stock Exchange of India Ltd.,
Exchange Plaza,
5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra East
Mumbai - 400051

BSE Limited,
Corporate Relationship Department,
First Floor, New Trading Ring,
Rotunda Building, P.J. Tower,
Dalal Street,
Mumbai - 400001

Dear Sirs,

Sub: Unaudited Financial Results and Limited Review Report for the Quarter and Half year ended 30th September 2016


Pursuant to Regulation 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 12th November, 2016 have interalia considered, approved/taken on record the following:

1. Unaudited Standalone Financial Results of the Company for the Quarter ended 30th September, 2016.
2. Limited Review Report issued by M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai on the aforesaid Financial Results.

We request you to take the above on record.

Thanking you,

Yours faithfully,
For Zodiac Clothing Company Limited


Kumar Iyer
Company Secretary



Encl: As above

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.

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www.zodiaconline.com

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 HALF YEAR ENDED 30TH SEPTEMBER, 2016

Rs. in Lakhs (Excluding Earnings per share)

Sl No	Particulars	3 Months Ended on 30th September 2016 Unaudited	Preceding 3 Months Ended on 30th June 2016 Unaudited	Corresponding 3 Months ended on 30th September 2015 Unaudited	Year to date Figures for the current Period ended on 30th September 2016 Unaudited	Year to date Figures for the previous Period ended on 30th September 2015 Unaudited	Previous Year Ended on 31st March, 2016 Audited
1	Income From Operations						
(a)	Net Sales / Income from operations (net of excise duty)	5,565	6,411	6,935	11,976	14,138	28,823
(b)	Other Operating Income	355	398	332	753	761	1,444
	Total Income From Operations (net)	5,920	6,809	7,267	12,729	14,899	30,267
2	Expenses						
(a)	Cost of Materials Consumed	2,306	2,618	2,812	4,924	5,679	11,530
(b)	Purchases of Stock-in-trade	159	29	325	188	799	1,340
(c)	Change in Inventories of Finished Goods, Work in Progress and Stock-in-trade	(225)	(34)	(212)	(259)	(232)	(177)
(d)	Employees Benefits Expense	1,560	1,471	1,392	3,031	2,775	5,742
(e)	Depreciation and Amortization Expense	258	258	252	516	473	946
(f)	Rent Expenses	1,086	1,095	991	2,181	1,974	4,041
(g)	Other Expenses	1,574	2,084	1,990	3,658	4,363	8,154
	Total Expenses	6,718	7,521	7,550	14,239	15,831	31,576
3	Loss from Operations before Other income, Finance cost & Exceptional Items (1-2)	(798)	(712)	(283)	(1,510)	(932)	(1,309)
4	Other Income	140	704	105	844	877	1,056
5	Loss from ordinary activities before finance cost & exceptional items (3+4)	(658)	(8)	(178)	(666)	(55)	(253)
6	Finance Costs	107	80	62	187	111	257
7	Loss from ordinary activities after finance costs but before exceptional items (5-6)	(765)	(88)	(240)	(853)	(166)	(510)
8	Exceptional Items - Profit on Sale of Non Current Investment	647	-	-	647	-	-
9	Loss from Ordinary Activities before Tax (7+8)	(118)	(88)	(240)	(206)	(166)	(510)
10	Tax Expense	(2)	-	(13)	(2)	-	(149)
11	Net Loss from Ordinary Activities After Tax (9-10)	(116)	(88)	(227)	(204)	(166)	(361)
12	Extraordinary items (Net of tax Expense)	-	-	-	-	-	-
13	Net Loss for the period (11-12)	(116)	(88)	(227)	(204)	(166)	(361)
14	Paid-up Equity Share Capital (Face value Rs.10/-per share)	1,952	1,952	1,951	1,952	1,951	1,952
15	Reserve excluding revaluation reserves						15,728
16	Earnings per share (EPS) (Not annualised)						
(a)	Basic	(0.59)	(0.45)	(1.16)	(1.04)	(0.85)	(1.85)
(b)	Diluted (Refer Note 'e' below)	(0.59)	(0.45)	(1.16)	(1.04)	(0.85)	(1.85)

See accompanying notes to the Financial Results

Notes:

- The above standalone financial results for the quarter and half year ended 30th September, 2016 were reviewed by the audit committee, and approved by the Board of Directors on 12th November, 2016. This statement is as per regulation 33 of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015. The Statutory Auditors have carried out a limited review of the above Standalone Unaudited Financials Results.
- 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. 56 lakhs (credit) as at 30th September, 2016, Rs. 44 lakhs (credit) as at 30th June, 2016, Rs. 4 lakhs (debit) as at 30th September, 2015 and Rs. 63 lakhs (credit) as at 31st March, 2016.

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(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. 55 lakhs (gain) for quarter ended 30th September, 2016, Rs. 4 lakhs (loss) for the preceding quarter ended 30th June, 2016, Rs. 111 lakhs (loss) for the corresponding quarter ended 30th September, 2015, Rs. 51 lakhs (gain) for half year ended 30th September, 2016, Rs. 177 lakhs (loss) for corresponding half year ended 30th September, 2015 and Rs. 274 lakhs (loss) for the previous year ended 31st March, 2016.

- d) Out of total employee stock options granted under Zodiac Employees Stock Option Plan, 2006, 219,995 employee stock options including bonus entitlement thereon have lapsed till date. During the quarter, no employee stock options have been exercised.
- e) In the view of the loss incurred during the period, shares to be issued under Employees' Stock Option Plan, 2006 are not considered to be dilutive in nature and the effect of this is ignored in calculating diluted earnings per share in accordance with Accounting Standard 20 viz. Earnings Per Share.
- f) **Statement of Assets and Liabilities:**

Rs. In Lakhs

Particulars	As at	As at
	30th September, 2016	31st March, 2016
	Unaudited	Audited
EQUITY AND LIABILITIES		
Shareholders' Funds		
(a) Share capital	1,952	1,952
(b) Reserve and surplus	15,557	15,728
	17,509	17,680
Non-current liabilities		
(a) Long-term borrowings	616	725
(b) Deferred tax liabilities (net)	329	331
(c) Long-term provisions	126	118
	1,071	1,174
Current liabilities		
(a) Short-term borrowings	5,657	5,742
(b) Trade payables		
(i) Dues to micro, small and medium enterprises	31	33
(ii) Others	3,184	3,098
	3,215	3,131
(c) Other current liabilities	1,854	1,719
(d) Short-term provisions	95	325
	10,801	10,917
Total	29,381	29,771
ASSETS		
Non-current assets		
(a) Fixed assets	11,661	11,305
(b) Non-current investments	1,929	1,820
(c) Long-term loans and advances	3,500	3,264
	17,090	16,389
Current assets		
(a) Current investments	329	267
(b) Inventories	7,605	7,727
(c) Trade Receivables	1,804	2,423
(d) Cash and cash equivalents	155	236
(e) Short-term loans and advances	2,366	2,664
(f) Other current assets	32	65
	12,291	13,382
Total	29,381	29,771

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

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Date: 12th November, 2016
Place: Mumbai



BY ORDER OF THE BOARD

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A. Y. Noorani

Handwritten signature Vice Chairman & Managing Director

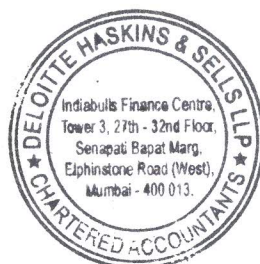
INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF ZODIAC CLOTHING COMPANY LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Zodiac Clothing Company Limited** ("the Company") for the quarter and half year ended September 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Registration No.117366W/W - 100018)



R. Laxminarayan
(Partner)
(Membership No. 33023)

Mumbai, November 12, 2016