

# ZODIAC

30<sup>th</sup> July, 2020

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: Outcome of the Board Meeting held on 30<sup>th</sup> July, 2020**

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> July, 2020 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, 2020.
- b. Independent Auditors Report on the Consolidated and Standalone Financial Results of the Company for the year ended 31<sup>st</sup> March, 2020 with unmodified opinion.
- c. The Board of Directors of the Company have decided to convene the 36<sup>th</sup> Annual General Meeting of the Company on Friday, 25<sup>th</sup> September, 2020.
- d. The Board of Directors of the Company have not recommend any Dividend for the year ended 31<sup>st</sup> March, 2020.

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.

**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)



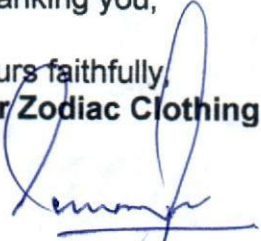
# ZODIAC

The Board meeting commenced at 4:00 p.m. and concluded at 7.15 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: 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@zodiacmfc.com  
 CIN: L17100MH1984PLC033143

**STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020**

Slr No.	Particulars	Quarter ended			Year ended		(Rs. in Lakhs)
		March 31, 2020 (Refer Note 'd' below)	December 31, 2019 (Unaudited)	March 31, 2019 (Refer Note 'd' below)	March 31, 2020 (Audited)	March 31, 2019 (Audited)	
I	Revenue From Operations	4,295	5,210	5,410	19,082	21,583	
II	Other Income	412	117	77	1,214	663	
III	<b>Total Income (I+II)</b>	<b>4,707</b>	<b>5,327</b>	<b>5,487</b>	<b>20,296</b>	<b>22,246</b>	
IV	<b>EXPENSES</b>						
	Cost of materials consumed	1,840	1,731	1,924	6,914	7,665	
	Purchases of stock-in-trade	70	107	112	377	460	
	Change in inventories of finished goods, work-in-progress and stock-in-trade	(132)	(138)	(104)	(453)	(681)	
	Employee benefits expense	1,078	1,369	1,305	5,425	5,763	
	Finance costs	324	344	168	1,386	434	
	Depreciation and amortization expense	910	889	271	3,546	1,071	
	Other expenses	1,334	1,373	2,262	6,106	9,732	
	<b>Total expenses (IV)</b>	<b>5,424</b>	<b>5,675</b>	<b>5,938</b>	<b>23,301</b>	<b>24,444</b>	
V	<b>Loss before exceptional items and tax (III - IV)</b>	<b>(717)</b>	<b>(348)</b>	<b>(451)</b>	<b>(3,005)</b>	<b>(2,198)</b>	
VI	Exceptional Items (Refer Note 'f' below)	-	-	(261)	-	(306)	
VII	<b>Loss before tax (V - VI)</b>	<b>(717)</b>	<b>(348)</b>	<b>(712)</b>	<b>(3,005)</b>	<b>(2,504)</b>	
VIII	<b>Tax Expense / (Credit):</b>						
	Current tax	-	1	1	111	109	
	Deferred tax	(61)	(95)	(48)	(244)	(169)	
	Tax in respect of earlier years	25	-	217	25	235	
IX	<b>Loss for the period (VII - VIII)</b>	<b>(681)</b>	<b>(254)</b>	<b>(882)</b>	<b>(2,897)</b>	<b>(2,679)</b>	
X	<b>Other comprehensive income</b>						
	(i) Items that will not be reclassified to profit or loss						
	- Remeasurements of net defined benefit plans	(76)	-	(95)	(76)	(95)	
	- Equity Instruments through Other Comprehensive Income	(594)	(176)	(304)	(1,003)	(302)	
	- Income tax relating to above items	-	-	8	-	7	
	(ii) Items that will be reclassified to profit or loss						
	- Deferred gains/(losses) on cash flow hedges	(61)	(15)	(10)	(68)	59	
	- Foreign Currency Translation Reserve	211	(8)	52	285	330	
	- Income tax relating to above items	24	4	3	26	(16)	
	<b>Total other comprehensive income</b>	<b>(496)</b>	<b>(195)</b>	<b>(346)</b>	<b>(836)</b>	<b>(17)</b>	
XI	<b>Total comprehensive income for the period (IX + X)</b>	<b>(1,177)</b>	<b>(449)</b>	<b>(1,228)</b>	<b>(3,733)</b>	<b>(2,696)</b>	
XII	<b>Loss attributable to:</b>						
	Owners of the Company	(681)	(254)	(882)	(2,897)	(2,679)	
	Non Controlling Interest	-	-	-	-	-	
XIII	<b>Other comprehensive income attributable to:</b>						
	Owners of the Company	(496)	(195)	(346)	(836)	(17)	
	Non Controlling Interest	-	-	-	-	-	
XIV	<b>Total comprehensive income attributable to:</b>						
	Owners of the Company	(1,177)	(449)	(1,228)	(3,733)	(2,696)	
	Non Controlling Interest	-	-	-	-	-	
XV	<b>Paid-up equity share capital (Face value Rs. 10/-per share)</b>	2,248	2,248	2,129	2,248	2,129	
XVI	<b>Other Equity</b>	-	-	-	23,662	28,266	
XVII	<b>Earnings per share (EPS) (not annualized) (in Rs.)</b>						
	(1) Basic	(3.03)	(1.13)	(4.30)	(13.10)	(13.07)	
	(2) Diluted	(3.03)	(1.13)	(4.30)	(13.10)	(13.07)	



## ZODIAC CLOTHING COMPANY LIMITED

### NOTES TO CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

- 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, 2020 (the Statement) were reviewed by the Audit Committee and approved by the Board of Directors of Zodiac Clothing Company Limited (the Company) at their meetings held on July 30, 2020.
- 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) On July 27, 2019 the Company has allotted 1,183,081 equity shares of Face Value Rs. 10 each at a premium of Rs 159.05 per equity share amounting to Rs. 2000 lakhs pursuant to conversion of equivalent number of warrants allotted to the promoters of the Company on September 12, 2018.

g) Effective April 1, 2019, the Group has adopted Ind AS 116 'Leases', which requires a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is of a low value.

The Group has applied Ind AS 116 retrospectively to all the contracts existing on April 1, 2019, with cumulative effect of initially applying the new standard recognized to the retained earnings on the date of initial application. Accordingly, comparatives for previous periods have not been restated.

The impact of adopting Ind AS 116 on the above consolidated financial results is as follows:

Particulars	Quarter ended	Change due to Ind AS 116	Quarter ended	Year ended	Year ended
	March 31, 2020 Comparable basis	Increase / (decrease)	March 31, 2020 as reported	March 31, 2020 Comparable basis	March 31, 2020 as reported
Other Income	239	173	412	1,041	1,214
Finance costs	136	188	324	445	1,386
Depreciation and amortization expense	312	598	910	1,133	3,546
Other expenses	2,103	(769)	1,334	9,327	6,106
Loss before tax	(873)	156	(717)	(3,046)	(3,005)

h) The Company's plants, retail stores and offices were shut down from March 25, 2020 consequent to nationwide lockdown announced by the Government of India due to COVID-19. Since the easing of restriction in phased manner, the Company commenced the operations from May 4, 2020 onwards. However, the current situation has impacted the operations of the Company and caused uncertainty.

The Company's Management has done an assessment of the situation including the liquidity position after considering various cost reduction measures, orders on hand etc. and of the carrying value of all its assets and liabilities as at March 31, 2020, and concluded that there are no material adjustments required in the financial statements as of March 31, 2020. 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) During the previous year ended March 31, 2019, there had been default of interest receivable on non-convertible debentures of L & F S Transportation Networks limited. The Group had accordingly considered it prudent to fully impair these investments and had made a provision of Rs. 306 Lakhs (quarter ended March 31, 2019 Rs. 261 Lakhs and quarter ended December 31, 2018 Rs. 45 Lakhs), which has been disclosed as 'Exceptional items' in the above results.

j) Refer Annexure 1 and 2 for Consolidated Statement of Assets and Liabilities and Consolidated Statement of Cash Flows respectively.

Place : Mumbai  
Date : July 30, 2020



For and on behalf of the Board of Directors

S. V. NOORANI  
Vice Chairman & Managing Director

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2020

(Rs. in Lakhs)

	Particulars	As at	As at
		March 31, 2020	March 31, 2019
		(Audited)	(Audited)
<b>I</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	Property, plant and equipment	11,230	11,830
	Right-of-use assets	7,135	-
	Capital work - in - progress	187	283
	Investment properties	745	760
	Intangible assets	211	246
	Financial assets		
	- Investments	2,663	4,295
	- Loans	955	1,592
	- Others financial assets	1	1
	Deferred tax assets (net)	919	249
	Non - Current tax assets (net)	1,325	1,349
	Other non - current assets	333	613
<b>2</b>	<b>Current assets</b>		
	Inventories	8,823	8,724
	Financial assets		
	- Investments	165	1,084
	- Trade receivables	1,751	2,309
	- Cash and cash equivalents	1,926	1,178
	- Bank Balances other than cash and cash equivalents	277	757
	- Loans	2,236	1,158
	- Other financial assets	601	2,095
	Other current assets	2,549	2,372
	<b>TOTAL ASSETS</b>	<b>44,032</b>	<b>40,895</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
	Equity share capital	2,248	2,129
	Other equity	23,662	28,266
<b>2</b>	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	Financial liabilities		
	- Borrowings	1,672	83
	- Lease Liabilities	5,619	-
	Provisions	1	3
	<b>Current liabilities</b>		
	Financial liabilities		
	- Borrowings	4,299	6,077
	- Lease Liabilities	2,534	-
	- Trade payables		
	(a) total outstanding dues of micro enterprises and small enterprises; and	38	72
	(a) total outstanding dues of creditors other than micro enterprises and small enterprises	2,217	2,131
	- Other financial liabilities	670	816
	Provisions	140	119
	Other current liabilities	932	1,199
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>44,032</b>	<b>40,895</b>



CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

(Rs. in Lakhs)

Particulars	Year Ended 31st March, 2020	Year ended 31st March, 2019
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Loss before exceptional items and tax	(3,005)	(2,198)
Adjustments for:		
Depreciation and amortization expenses	3,546	1,071
Finance cost	1,386	434
Unrealised exchange (gain) / loss on foreign currency translation / transaction	(21)	(36)
Dividend income	(57)	(19)
Rent income	(386)	(369)
Interest income	(118)	(59)
Net gain on financial assets measured at fair value through profit or loss	(219)	(80)
Allowance for doubtful debts, loans and deposits / Expected Credit Loss	-	(52)
Bad and doubtful debts, loans and deposits written off	85	4
Gain on remeasurement of lease contracts	(173)	-
Remeasurements of net defined benefit plans	(76)	(95)
Net Loss on sale/discard of property, plant and equipment	37	81
	<b>999</b>	<b>(1,318)</b>
<b>Operating profit before working capital changes</b>		
Adjustments for:		
(Increase)/decrease in trade and other receivables	594	1,201
(Increase)/decrease in inventories	(99)	(799)
Increase/(decrease) in trade and other payables	(332)	(1,540)
Increase/(decrease) in provisions	19	(137)
	<b>1,181</b>	<b>(2,593)</b>
Less: Direct taxes paid (net of refunds)	(112)	(135)
<b>Net cash flows generated from / (used in) operating activities after exceptional items</b>	<b>1,069</b>	<b>(2,728)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
<b>Inflows</b>		
Sale proceeds of property, plant and equipment	5	1
Interest received	13	64
Rent Received	386	369
Sale proceeds of non-current investments	983	430
Sale proceeds of current investments (Net)	966	-
Dividend received	57	19
Proceeds from Sale of Investments in Subsidiary	1,372	472
Proceeds from Term Deposits (Net)	477	-
	<b>4,259</b>	<b>1,355</b>
<b>Outflows</b>		
Purchase of property, plant and equipment/ intangible assets/ investment property	(455)	(568)
Purchase of current investments (Net)	-	(304)
Purchase of non-current investments	(183)	(442)
Loans given	(315)	(123)
Investment in Term Deposits (Net)	-	(720)
	<b>(953)</b>	<b>(2,157)</b>
<b>Net cash generated from / (used in) investing activities</b>	<b>3,306</b>	<b>(802)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<b>Inflows</b>		
Proceeds from issue of equity shares (including securities premium) / share warrants	500	4,500
Proceeds from non-current borrowings	1,672	-
Proceeds from current borrowings (net)	-	220
	<b>2,172</b>	<b>4,720</b>
<b>Outflows</b>		
Repayment of non-current borrowings	(211)	(632)
Repayment of current borrowings (net)	(1,778)	-
Payment of principal portion of lease liabilities	(2,213)	-
Interest paid on lease liabilities	(940)	-
Interest paid on others	(444)	(415)
Dividend paid	(213)	(195)
	<b>(5,799)</b>	<b>(1,242)</b>
<b>Net cash generated from / (used in) financing activities</b>	<b>(3,627)</b>	<b>3,478</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>748</b>	<b>(52)</b>
Add : Cash and cash equivalents at beginning of the year	1,178	1,230
<b>Cash and cash equivalents at end of the year</b>	<b>1,926</b>	<b>1,178</b>
<b>Non-cash financing and investing activities</b>		
- Acquisition of right-of-use assets	859	-

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# 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, 2020 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').
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 Co. 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, 2020 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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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

# 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 h 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 this 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 Result

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.





# 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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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 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.



# 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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### 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. 4,566 lakhs and net assets of Rs. 4,385 lakhs as at March 31, 2020, total revenues of Rs. 2,230 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 612 lakhs and cash inflows (net) of Rs. 656 lakhs for the year ended March 31, 2020, as considered in the consolidated financial results. These financial statements are 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.

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 Financial Results include the results for the quarter ended March 31, 2020, 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 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, 2020 on which we have issued an unmodified audit opinion vide our report dated July 30, 2020.

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



Sachin Parekh

Partner

Membership Number : 107038

UDIN : 20107038AAAACA4800

Place: Mumbai

Date: July 30, 2020

**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@zodiacmct.cbm  
 CIN: L17100MH1984PLC033143

**STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020**

Sr. No.	Particulars	Quarter Ended		Year ended		(Rs. in Lakhs)
		March 31, 2020 (Refer Note 'c' below)	December 31, 2019 (Unaudited)	March 31, 2019 (Refer Note 'c' below)	March 31, 2020 (Audited)	
I	Revenue From Operations	4,289	5,174	5,351	18,939	21,442
II	Other Income	378	90	41	1,744	1,178
III	<b>Total Income (I+II)</b>	<b>4,667</b>	<b>5,264</b>	<b>5,392</b>	<b>20,683</b>	<b>22,620</b>
IV	<b>EXPENSES</b>					
(a)	Cost of materials consumed	1,840	1,731	1,924	6,914	7,665
(b)	Purchases of stock-in-trade	65	105	96	357	443
(c)	Change in inventories of finished goods, work-in-progress and stock-in-trade	(142)	(138)	(125)	(501)	(780)
(d)	Employee benefits expense	1,072	1,362	1,299	5,401	5,740
(e)	Finance costs	324	344	168	1,386	434
(f)	Depreciation and amortization expense	900	880	260	3,515	1,041
(g)	Other expenses	1,247	1,348	2,194	5,946	9,550
	<b>Total expenses (IV)</b>	<b>5,306</b>	<b>5,632</b>	<b>5,816</b>	<b>23,018</b>	<b>24,093</b>
V	<b>Loss before exceptional items and tax (III - IV)</b>	<b>(639)</b>	<b>(368)</b>	<b>(424)</b>	<b>(2,335)</b>	<b>(1,473)</b>
VI	Exceptional Items (Refer Note 'h' below)	-	-	(261)	-	(306)
VII	<b>Loss before tax (V - VI)</b>	<b>(639)</b>	<b>(368)</b>	<b>(685)</b>	<b>(2,335)</b>	<b>(1,779)</b>
VIII	<b>Tax Expense / (Credit):</b>					
	Current tax	-	-	-	110	107
	Deferred tax	(84)	(97)	(74)	(338)	(276)
	Tax in respect of earlier years	25	-	217	25	235
IX	<b>Loss for the period (VII - VIII)</b>	<b>(580)</b>	<b>(371)</b>	<b>(827)</b>	<b>(2,132)</b>	<b>(1,845)</b>
X	<b>Other comprehensive income</b>					
	(i) Items that will not be reclassified to profit or loss					
	- Remeasurements of net defined benefit plans	(76)	-	(95)	(76)	(95)
	- Equity Instruments through Other Comprehensive Income	(594)	(176)	(304)	(1,003)	(302)
	- Income tax relating to above items	-	-	8	-	7
	(ii) Items that will be reclassified to profit or loss					
	- Deferred gains/(losses) on cash flow hedges	(86)	(15)	(10)	(93)	59
	- Income tax relating to above items	24	4	3	26	(16)
	<b>Total other comprehensive income</b>	<b>(732)</b>	<b>(187)</b>	<b>(398)</b>	<b>(1,146)</b>	<b>(347)</b>
XI	<b>Total comprehensive income for the period (IX + X)</b>	<b>(1,312)</b>	<b>(458)</b>	<b>(1,225)</b>	<b>(3,278)</b>	<b>(2,192)</b>
XII	Paid-up equity share capital (Face value Rs. 10/- per share)					
XIII	Other Equity	2,248	2,248	2,129	2,248	2,129
XIV	Earnings per share (EPS) [not annualized] (in Rs.)					
	(1) Basic	(2.58)	(1.21)	(4.04)	(9.65)	(8.99)
	(2) Diluted	(2.58)	(1.21)	(4.04)	(9.65)	(8.99)



## ZODIAC CLOTHING COMPANY LIMITED

### NOTES TO STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

- 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, 2020 ("the Statement") were reviewed by the Audit Committee and approved by the Board of Directors of Zodiac Clothing Company Limited ("the Company") at their meetings held on July 30, 2020.
- 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) On July 22, 2019 the Company has allotted 1,183,081 equity shares of Face Value Rs. 10 each at a premium of Rs 159.05 per equity share amounting to Rs. 2,000 lakhs pursuant to conversion of equivalent number of warrants allotted to the promoters of the Company on September 12, 2018.
- f) Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases', which requires a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is of a low value. The Company has applied Ind AS 116 retrospectively to all the contracts existing on April 1, 2019, with cumulative effect of initially applying the new standard recognized to the retained earnings on the date of initial application. Accordingly, comparatives for previous periods have not been restated. The impact of adopting Ind AS 116 on the above standalone financial results is as follows:

Particulars	(Rs. in Lakhs)					
	Quarter Ended March 31, 2020 Comparable basis	Change due to Ind AS 116 increase / (decrease)	Quarter Ended March 31, 2020 as reported	Year ended March 31, 2020 Comparable basis	Change due to Ind AS 116 increase / (decrease)	Year ended March 31, 2020 as reported
Other Income	205	173	378	1,571	173	1,744
Finance costs	136	188	324	446	940	1,386
Depreciation and amortization expense	302	598	900	1,102	2,413	3,515
Other expenses	2,016	(769)	1,247	9,167	(3,221)	5,946
Loss before tax	(795)	156	(639)	(2,376)	41	(2,335)

g) The Company's plants, retail stores and offices were shut down from March 25, 2020 consequent to nationwide lockdown announced by the Government of India due to COVID 19. Since the easing of restriction in phased manner, the Company commenced the operations from May 4, 2020 onwards. However, the current situation has impacted the operations of the Company and caused uncertainty.

The Company's Management has done an assessment of the situation including the liquidity position after considering various cost reduction measures, orders on hand etc. and of the carrying value of all its assets and liabilities as at March 31, 2020, and concluded that there are no material adjustments required in the financial statements as of March 31, 2020.

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.

