

ZODIAC

14th February, 2017

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 14th February, 2017

1. 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 14th February, 2017 have inter alia considered, approved/taken on record the following:
 - a. Unaudited Standalone Financial Results of the Company for the Quarter ended 31st December, 2016.
 - b. Independent Auditor's Review Report issued by M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai on the aforesaid Financial Results.
2. The Nomination and Remuneration Committee and the Board of Directors of the Company have at their meetings held today, agreed to and accepted the decision of Mr. A. Y. Noorani to not seek re-appointment as Managing Director after his current term comes to an end on 28th February, 2017 but instead continue only as a Non-Executive Director and Vice-Chairman of the Company w.e.f 1st March, 2017.

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 NINE MONTHS ENDED 31ST DECEMBER, 2016

Rs. in Lakhs (Excluding Earnings per share)

Sl No	Particulars	3 Months Ended on 31st December 2016 Unaudited	Preceding 3 Months Ended on 30th September 2016 Unaudited	Corresponding 3 Months ended on 31st December 2015 Unaudited	Year to date Figures for the current Period ended on 31st December 2016 Unaudited	Year to date Figures for the previous Period ended on 31st December 2015 Unaudited	Previous Year Ended on 31st March, 2016 Audited
1	Income From Operations						
(a)	Net Sales / Income from operations (net of excise duty)	7,061	5,565	7,293	19,037	21,431	28,823
(b)	Other Operating Income	452	355	373	1,205	1,134	1,444
	Total Income From Operations (net)	7,513	5,920	7,666	20,242	22,565	30,267
2	Expenses						
(a)	Cost of Materials Consumed	2,854	2,306	2,804	7,778	8,483	11,530
(b)	Purchases of Stock-in-trade	110	159	251	298	1,050	1,340
(c)	Change in Inventories of Finished Goods, Work in Progress and Stock-in-trade	175	(225)	(115)	(84)	(347)	(177)
(d)	Employees Benefits Expense	1,463	1,560	1,427	4,494	4,202	5,742
(e)	Depreciation and Amortization Expense	258	258	244	774	717	946
(f)	Rent Expenses	1,064	1,086	1,015	3,245	2,989	4,041
(g)	Other Expenses	1,989	1,574	1,978	5,647	6,341	8,154
	Total Expenses	7,913	6,718	7,604	22,152	23,435	31,576
3	(Loss) / Profit from Operations before Other income, Finance cost & Exceptional Items (1-2)	(400)	(798)	62	(1,910)	(870)	(1,309)
4	Other Income	105	140	119	949	996	1,056
5	(Loss) / Profit from ordinary activities before finance cost & exceptional items (3+4)	(295)	(658)	181	(961)	126	(253)
6	Finance Costs	107	107	72	294	183	257
7	(Loss) / Profit from ordinary activities after finance costs but before exceptional items (5-6)	(402)	(765)	109	(1,255)	(57)	(510)
8	Exceptional Items - Profit on Sale of Non Current Investment	316	647	-	963	-	-
9	(Loss) / Profit from Ordinary Activities before Tax (7+8)	(86)	(118)	109	(292)	(57)	(510)
10	Tax Expense	(5)	(2)	-	(7)	-	(149)
11	Net (Loss) / Profit from Ordinary Activities After Tax (9-10)	(81)	(116)	109	(285)	(57)	(361)
12	Extraordinary items (Net of tax Expense)	-	-	-	-	-	-
13	Net (Loss) / Profit for the period (11-12)	(81)	(116)	109	(285)	(57)	(361)
14	Paid-up Equity Share Capital (Face value Rs.10/-per share)	1,952	1,952	1,952	1,952	1,952	1,952
15	Reserve excluding revaluation reserves						15,728
16	Earnings per share (EPS) (Not annualised)						
(a)	Basic	(0.41)	(0.59)	0.56	(1.46)	(0.29)	(1.85)
(b)	Diluted (Refer Note 'f' below)	(0.41)	(0.59)	0.56	(1.46)	(0.29)	(1.85)

See accompanying notes to the Standalone Unaudited Financial Results

Notes:

- The above standalone unaudited financial results for the quarter and nine months ended 31st December, 2016 were reviewed by the audit committee, and approved by the Board of Directors on 14th February, 2017. 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 "Guidance Note on Accounting for Derivative Contracts" 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. 18 lakhs (credit) as at 31st December, 2016, Rs. 56 lakhs (credit) as at 30th September, 2016, Rs. 20 lakhs (credit) as at 31st December, 2015 and Rs. 63 lakhs (credit) as at 31st March, 2016.

(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. 27 lakhs (gain) for quarter ended 31st December, 2016, Rs. 55 lakhs (gain) for the preceding quarter ended 30th September, 2016, Rs. 85 lakhs (loss) for the corresponding quarter ended 31st December, 2015, Rs. 78 lakhs (gain) for nine months ended 31st December, 2016, Rs. 262 lakhs (loss) for corresponding nine months ended 31st December, 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 31st December, 2016. During the quarter, no employee stock options have been exercised.
- e) The Company's wholly owned first level step down subsidiary "Zodiac Clothing Company UAE LLC" (ZCC UAE), has sold its entire shareholding of equity shares in its wholly owned subsidiary viz. "Zodiac Properties Limited" (ZPL) on 26th January, 2017 for a consideration of AED 18,500,000. Consequently ZPL has ceased to be a subsidiary of ZCC UAE and also of the company from that date.
- f) 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.
- g) Figures for the previous periods have been regrouped wherever necessary to conform to the current period's classification.

Date: 14th February, 2017
Place: Mumbai



By ORDER OF THE BOARD

A. Y. Noorani
Vice Chairman & Managing Director

Deloitte Haskins & Sells LLP

Chartered Accountants
Indiabulls Finance Centre,
Tower 3, 27th-32nd Floor,
Senapati Bapat Marg,
Elphinstone Road (West),
Mumbai - 400 013,
Maharashtra, India

Tel: +91 22 6185 4000
Fax: +91 22 6185 4101

INDEPENDENT AUDITOR'S 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 nine months ended December 31, 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, February 14, 2017