



THANGAMAYIL
JEWELLERY LIMITED

TMJL | CS | 12.11.2014

National Stock Exchange of India Limited
Corporate Communications Department
Exchange Plaza
Bandra Kurla Complex
Bandra East
Mumbai-400 051.

Dear Sir,

**Sub: Un-Audited Financial Results for the 2nd Quarter Ended 30.09.2014 under clause 41 (1)(d)
of Listing Agreement.**

We forward herewith our Un-Audited financial Results for the 2nd Quarter Ended 30th September 2014 as adopted by the Board in the Meeting held on 12.11.2014 (today) for your records and information. The Meeting got concluded at 02.00 P.M.

Thanking You,
Yours Faithfully,
For **Thangamayil Jewellery Limited**

(CS.V.Vijayaraghavan)
Company Secretary



THANGAMAYIL JEWELLERY LIMITED

No. 124, Nethaji Road, Madurai-625 001. CIN - L36911TN2000PLC044514

UN AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED AND HALF YEAR ENDED ON 30TH SEPTEMBER 2014

PART -I

(₹ in Lakhs except per share data)

Sl. No	Particulars	Quarter Ended			Half Yearly Ended		Year Ended
		30-09-2014	30-06-2014	30-09-2013	30-09-2014	30-09-2013	31-03-2014
		UN AUDITED	UN AUDITED	UN AUDITED	UN AUDITED	UN AUDITED	AUDITED
1	Sales and Other Income	33,437.23	37,112.96	24,075.33	70,550.19	66,590.93	119,611.47
	Total Income	33,437.23	37,112.96	24,075.33	70,550.19	66,590.93	119,611.47
2	Expenditure						
a)	Consumption of Raw Materials	30,680.32	33,998.97	17,198.52	64,679.29	59,664.58	99,253.59
b)	Changes in Inventories of finished goods, work in progress and stock in trade	2,319.27	1,814.85	4,665.40	4,134.12	174.81	12,122.17
c)	Employee Benefits expenses	567.18	469.47	394.17	1,036.65	957.70	1,773.71
d)	Depreciation and amortisation expenses	250.13	190.95	145.23	441.08	269.21	564.85
e)	Other Expenditure	693.22	601.76	745.32	1,294.98	1,883.11	4,503.44
	Total Expenditure	34,510.12	37,076.00	23,148.64	71,586.12	62,949.41	118,217.76
3	Profit / (Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)	(1,072.89)	36.96	926.69	(1,035.93)	3,641.52	1,393.71
4	Other Income	-	-	-	-	-	-
5	Profit/ (Loss) before Interest & Exceptional Items(3+4)	(1,072.89)	36.96	926.69	(1,035.93)	3,641.52	1,393.71
6	Finance Cost	769.45	653.07	849.73	1,422.52	1,778.26	3,470.31
7	Profit/ (Loss) after Interest but before Exceptional Items(5-6)	(1,842.34)	(616.11)	76.96	(2,458.45)	1,863.26	(2,076.60)
8	Exceptional Items	-	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before Tax (7+8)	(1,842.34)	(616.11)	76.96	(2,458.45)	1,863.26	(2,076.60)
10	Tax Expenses (Net)	(597.61)	(217.90)	16.99	(815.51)	427.94	(819.71)
11	Net Profit/(Loss) from Ordinary Activities after Tax (9-10)	(1,244.73)	(398.21)	59.97	(1,642.94)	1,435.42	(1,256.89)
12	Extraordinary Items (Net of Expenses)	-	-	-	-	-	-
13	Net Profit/(Loss) for the Period (11-12)	(1,244.73)	(398.21)	59.97	(1,642.94)	1,435.42	(1,256.89)
14	Paid up Equity Share Capital (Face Value of Rs.10/- each)	1,371.96	1,371.96	1,371.96	1,371.96	1,371.96	1,371.96
15	Reserve excluding Revaluation Reserve	-	-	-	-	-	13,987.88
16	EPS after Extra ordinary Items						
	Basic EPS after Extra ordinary Items	(9.07)	(2.90)	0.44	(11.97)	10.46	(9.16)
	Diluted EPS after Extra ordinary Items	(9.07)	(2.90)	0.44	(11.97)	10.46	(9.16)

PART -II

SELECT INFORMATION FOR THE QUARTER ENDED 30TH SEPTEMBER 2014

SL. No	Particulars	Quarter Ended			Half Yearly Ended		Year Ended
		30-09-2014	30-06-2014	30-09-2013	30-09-2014	30-09-2013	31-03-2014
		UN AUDITED	UN AUDITED	UN AUDITED	UN AUDITED	UN AUDITED	AUDITED
A	Particulars of Share Holdings						
1	Public Share Holdings						
	- Number of Shares	4,068,421	4,068,421	4,199,440	4,068,421	4,199,440	4,068,631
	- Percentage of Share Holdings	29.65%	29.65%	30.61%	29.65%	30.61%	29.66%
2	Promoters and Promoters group share holding						
a)	Pledged/ Encumbered						
	- Number of Shares	1,476,220	1,476,220	1,476,220	1,476,220	1,476,220	1,476,220
	- Percentage of Shares on total share holding of promoter and promoter group	15.30%	15.30%	15.30%	15.30%	15.30%	15.30%
	- Percentage of Shares on the total share capital of the company	10.76%	10.76%	10.76%	10.76%	10.76%	10.76%
b)	Non - Encumbered						
	- Number of Shares	8,174,941	8,174,941	8,043,922	8,174,941	8,043,922	8,174,731
	- Percentage of Shares on total share holding of promoter and promoter group	84.70%	84.70%	84.70%	84.70%	84.70%	84.70%
	- Percentage of Shares on the total share capital of the company	59.59%	59.59%	58.63%	59.59%	58.63%	59.58%
B	Investor Complaints - Quarter ended 30th September 2014						
	Pending at the beginning of the quarter	Nil					
	Received during the quarter	Nil					
	Disposed during the quarter	Nil					
	Remaining unresolved at the end of the quarter	Nil					

STATEMENT OF ASSETS AND LIABILITIES

Notes:

PARTICULARS	₹ in Lakhs	
	As at	
	30-09-2014	31-03-2014
	UN AUDITED	AUDITED
EQUITY AND LIABILITIES		
Shareholders Funds:		
(a) Share Capital	1,371.96	1,371.96
(b) Reserves and Surplus	12,242.03	13,987.88
Sub-total -Shareholders' funds	13,613.99	15,359.84
Non-Current Liabilities		
(a) Long-Term Borrowings	3,898.58	1,860.58
(b) Other Long Term Liabilities	1,530.61	1,379.82
Sub-total -Non -Current Liabilities	5,429.19	3,240.40
Current Liabilities		
(a) Short-Term Borrowings	15,333.68	21,285.48
(b) Trade Payables	1,567.77	604.43
(c) Other Current Liabilities	5,295.21	7,169.08
(d) Short-Term Provisions	-	195.52
Sub-total -Current Liabilities	22,196.66	29,254.51
TOTAL	41,239.84	47,854.75
ASSETS		
Non-Current Assets		
(a) Fixed Assets		
(i) Tangible Assets	7,096.03	7,465.77
(ii) Intangible Assets	549.41	694.15
(iii) Capital Work in Progress	754.29	689.04
(b) Deferred Tax Assets	1,408.30	543.36
(c) Long-Term Loans and Advances	983.57	1,037.94
Sub-total - Non - Current Assets	10,791.60	10,430.26
Current Assets		
(a) Inventories	28,363.33	34,237.00
(b) Trade Receivables	39.61	24.20
(c) Cash and Cash Equivalents	413.24	1,684.52
(d) Short-Term Loans and Advances	22.34	24.25
(e) Other Current Assets	1,609.72	1,454.52
Sub-total -Current Assets	30,448.24	37,424.49
TOTAL	41,239.84	47,854.75

1. The above financial results were reviewed and recommended by the audit committee and approved by the Board of the Directors at their meeting held on 12th November 2014. Limited Review of these results have been completed by the Statutory Auditors.

2. The Company's Business activity falls with in a single business segment in terms of Accounting Standard 17 on Segment Reporting.

3. In accordance with requirements of Companies Act 2013 , the depreciation for the quarter has been computed based on the useful life specified therein and the transitional provisions have also been applied. Consequently, the depreciation for the quarter and half year ended is higher by Rs.63.26 lakhs and Rs.70.13 lakhs respectively and the opening balance of retained earnings is decreased by an amount of Rs.103 Lakhs (Net of Deferred Tax)

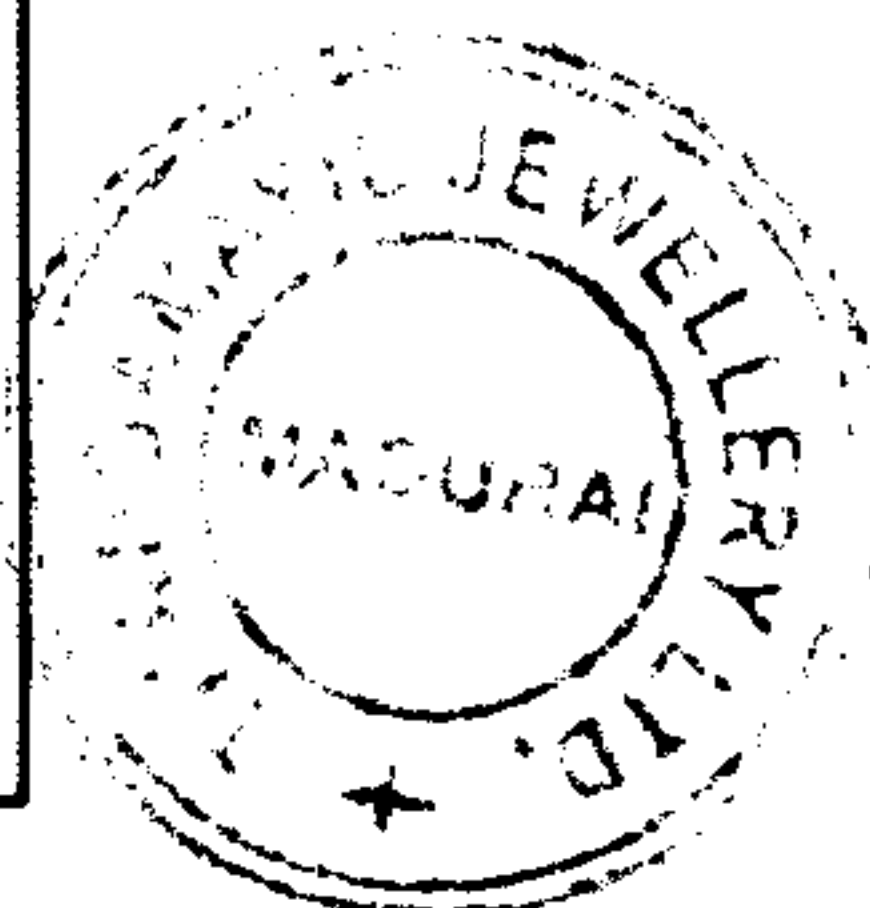
4. Increase in net losses for the quarter and half year ended 30th September 2014 is on account of reduction in inventory realisation due to steep decrease in the price of gold prevailed during the period under report and also on account of adoption of AS 2 on inventory valuation on cost or market price which ever is less.

5. Figures have been regrouped /recasted wherever necessary, to make them comparable.

For and on behalf of the board


Balarama Govinda Das
Chairman and Managing Director

Date - 12/11/2014
Place - Madurai



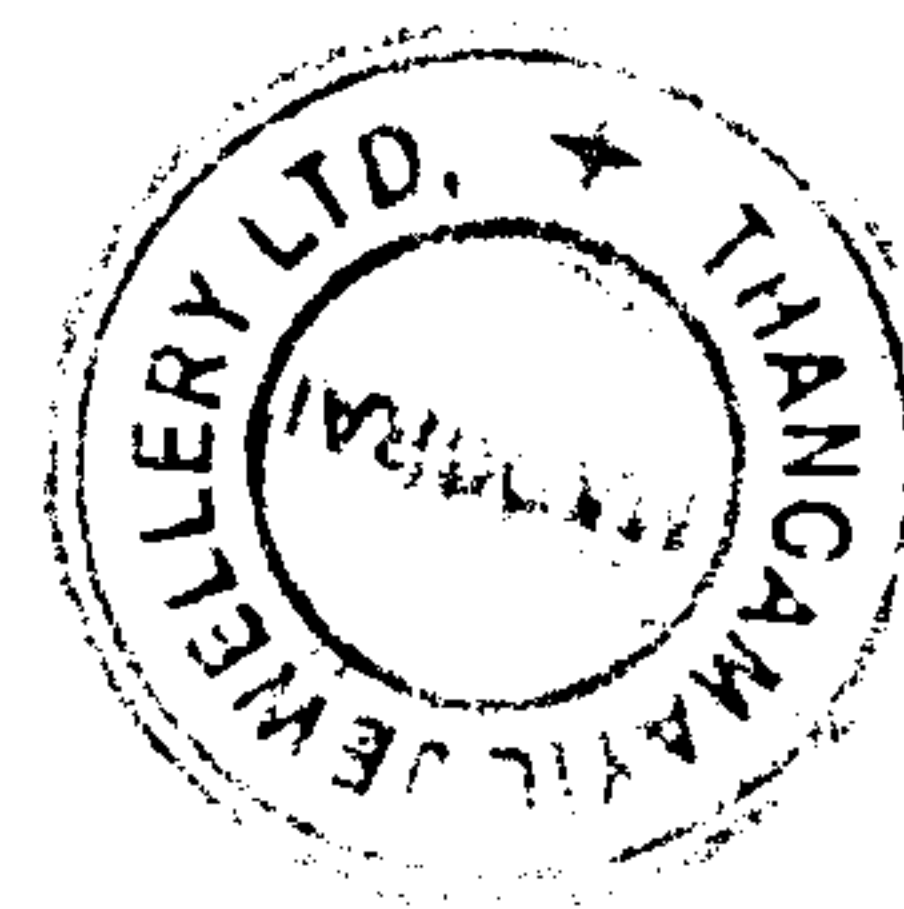
PERFORMANCE HIGHLIGHTS FOR THE QUARTER ENDED 30.09.14

ACHIEVED (YoY)

- Sales turnover improved by 39% from Rs.241 Crs to Rs.334 Crs.
- Volume growth in gold ornaments improved from 631 kgs to 1006 kgs an increase of 59%.
- Volume growth in Silver products improved from 2228 kgs to 3805 kgs an increase of 71%.
- Working capital loan exposure was brought down from Rs.244 Crs to Rs.153 Crs.
- Better stock rotation ensured from 2.10 times to 4.23 times.
- Gold inventory reduced from 1330 kgs to 932 kgs corresponding to Rs.406 Crs to Rs.249 Crs in value. In spite of this, the Company registered a value growth in turnover by 39%.
- Same stores sales (SSS) increased considerably by 64% in an average in all the outlets in operation except two small outlets.
- The customer base (billing on a Quarterly basis) has increased to 1,53,256 as against 1,04,895 registering an increase of 46%.

ADVERSE FACTORS (YoY)

- Gold price continued to fall in this quarter also, from Rs.2802/- to Rs.2543/- per gram registering a 9% decline on YoY basis.
- Cost of borrowing escalated by 200 points due to Industry rating rationale.
- 80:20 concept continued by RBI has resulted in escalated domestic gold price, placed the customers in a disadvantage position Vs overseas price.
- New Companies Act, completely changed the business model as customers advances beyond 12 months were treated as deposits and put to regulatory framework.



- In a falling gold price syndrome, the demand pick up also was very slow.
- Lack of natural hedging due to withdrawal of metal loan by banks resulted in larger inventory losses.
- Consequent to this, the Company incurred a Net loss Post Taxes of Rs.12.44 Crores as against a profit of Rs.0.60 Crores of last year.

INITIATIVES TAKEN TO IMPROVE THE PERFORMANCE IN THE CURRENT CONTEXT OF GOLD JEWELLERY BUSINESS ENVIRONMENT

1. To maintain the operational capabilities intact.
2. Plan and implement a broader leverage mechanism by reducing dependence on banks as an alternative source of support.
3. Structured the liabilities to fall back on long term mortgage funding to support operations.
4. Better inventory planning, vendor management and stock rotation ensure better liquidity environment in the system.
5. Skew the business model in favour of appropriate hedging by opting for metal loan to avoid low price backed inventory losses in future.



About the company

Thangamayil Jewellery Limited (TMJL) a 1500 Crores turnover company is in the business of manufacturing and retailing Gold Ornaments and Silver Articles and mainly operating out of 30 retail outlet spread across southern and western districts of Tamil Nadu. A powerful brand in the areas of operation having large customer base of well over 7,00,000 customers and the brand is a household name in the southern and western Districts of Tamil Nadu.

For more Information, please contact:

CS. V. Vijayaraghavan

Company Secretary

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For Media :

Statement in this document relating to future status, events or circumstances, including without limitation statements about plans and objectives, potential product characteristics and uses, product sales potential are forward-looking statements based on commercial estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may materially differ from those anticipated in such forward-looking statements. Thangamayil Jewellery from time to time, make additional written and oral forward looking statements, including statements contained in the company's filings with the regulatory bodies and its report to shareholders. The Company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors that may or may not be relevant.

