

## Provogue (India) Ltd.

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CIN : L18101MH1997PLC111924

14<sup>th</sup> February, 2016

**National Stock Exchange of India Limited**

Exchange Plaza

Bandra Kurla Complex, Bandra (E)

Mumbai 400 051

Scrip Code: PROVOGE

**BSE Limited**

Listing Department

P.J. Towers, Dalal Street, Fort

Mumbai 400 001

Scrip Code: 532647

Dear Sir/Madam,

**Sub: Unaudited financial results for the quarter ended 31.12.2016- Regulation 30 and 33 of SEBI (LODR) Regulations 2015**

With reference to the captioned subject, this is to inform you that the Board of Directors, at their meeting held today, i.e. on 14<sup>th</sup> February, 2017, have approved the unaudited standalone financial results for the quarter and nine months ended 31<sup>st</sup> December 2016. In view of the same, we enclose herewith a copy of unaudited standalone financial results along with the limited review report issued by the statutory auditors of the Company thereon in compliance with requirement of Regulation 30 and 33 of SEBI (LODR) Regulations 2015.

The Meeting of the Board of Director was commenced at 4.30 p.m. and concluded at 6.00 p.m.

Kindly take the same on your record and oblige.

Thanking you,

Yours truly,

For Provogue (India) Limited

Vishant Shetty

CS & Compliance Officer



Encl: As above




**The Board of Directors  
Provogue (India) Limited**

1. We have reviewed the unaudited financial results of Provogue (India) Limited (The "Company"), for the quarter and nine months ended December 31, 2016 which are included in the accompanying 'Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2016 together with the notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (the "Listing Regulations, 2015"), as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's management and has been approved by the board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of the Company's opening unaudited Balance Sheet as at April 01, 2015 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 financial statements are free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedure 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to the following matter :

Note 3 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from April 01, 2016, and accordingly, the Statement has prepared by the Company's Management in compliance with Ind AS.

**For Ajay Shobha & Co.**  
Chartered Accountants  
Firm Registration No : 317031E

  
(Ajay Gupta)  
Partner  
Mem No.: 53071



Place : Mumbai  
Date : February 14, 2017

Statement of Unaudited Financial Results for the Quarter and Nine Months Ended December 31, 2016.

Particulars	Quarter Ended			(Rs. in lacs)	
	31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>1 Income from operations</b>					
(a) Net sales/income from operations	4,630.42	6,032.17	8,265.86	16,701.23	33,765.32
(b) Other operating income	189.55	155.86	349.70	788.63	1,061.99
<b>Total income from operations (net)</b>	<b>4,819.97</b>	<b>6,188.03</b>	<b>8,615.56</b>	<b>17,489.86</b>	<b>34,827.31</b>
<b>2 Expenses</b>					
(a) Cost of materials consumed	457.27	984.32	3,385.22	2,384.05	28,802.63
(b) Purchases of stock-in-trade	3,313.00	4,262.92	3,068.00	11,996.46	4,570.18
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,003.34	1,378.48	4,142.62	6,861.15	4,001.18
(d) Employee benefits expense	145.59	122.60	210.96	387.08	608.97
(e) Depreciation and amortisation expense	102.86	113.27	145.96	335.70	441.12
(f) Other expenses	1,626.82	1,849.84	1,661.58	4,482.52	4,744.75
<b>Total expenses</b>	<b>7,648.88</b>	<b>8,711.43</b>	<b>12,614.33</b>	<b>26,446.96</b>	<b>43,168.82</b>
<b>3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>(2,828.91)</b>	<b>(2,523.40)</b>	<b>(3,998.77)</b>	<b>(8,957.10)</b>	<b>(8,341.51)</b>
<b>4 Other income</b>	<b>251.95</b>	<b>97.31</b>	<b>99.54</b>	<b>469.48</b>	<b>343.90</b>
<b>5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 +/- 4)</b>	<b>(2,576.97)</b>	<b>(2,426.09)</b>	<b>(3,899.23)</b>	<b>(8,487.61)</b>	<b>(7,997.61)</b>
<b>6 Finance costs</b>	<b>803.60</b>	<b>872.96</b>	<b>1,018.09</b>	<b>2,661.77</b>	<b>2,912.09</b>
<b>7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5+/-6)</b>	<b>(3,380.57)</b>	<b>(3,299.05)</b>	<b>(4,917.32)</b>	<b>(11,149.38)</b>	<b>(10,909.70)</b>
<b>8 Exceptional items</b>					
<b>9 Profit / (Loss) from ordinary activities before tax (7 +/- 8)</b>	<b>(3,380.57)</b>	<b>(3,299.05)</b>	<b>(4,917.32)</b>	<b>(11,149.38)</b>	<b>(10,909.70)</b>
<b>10 Tax expense (Deferred Tax)</b>	<b>38.97</b>	<b>28.99</b>	<b>16.79</b>	<b>76.89</b>	<b>42.14</b>
<b>11 Net Profit / (Loss) from ordinary activities after tax (9 +/- 10)</b>	<b>(3,419.53)</b>	<b>(3,328.04)</b>	<b>(4,934.11)</b>	<b>(11,226.27)</b>	<b>(10,951.85)</b>
<b>12 Other comprehensive income</b>	<b>0.93</b>	<b>0.93</b>	<b>3.01</b>	<b>2.79</b>	<b>9.02</b>
<b>13 Total comprehensive income (11+/-12)</b>	<b>(3,418.60)</b>	<b>(3,327.11)</b>	<b>(4,931.11)</b>	<b>(11,223.48)</b>	<b>(10,942.83)</b>
<b>14 Paid-up equity share capital (Face Value per share of Re. 1/-)</b>	<b>2,333.82</b>	<b>2,333.82</b>	<b>1,143.57</b>	<b>2,333.82</b>	<b>1,143.57</b>
<b>15 Earnings per share (Basic and Diluted) (Rs.)</b>					
i) before extraordinary items (not annualised)	(1.79)	(1.74)	(4.31)	(5.88)	(9.57)
ii) after extraordinary items (not annualised)	(1.79)	(1.74)	(4.31)	(5.88)	(9.57)

Notes:

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 14, 2017. The Auditors of the Company have carried out a Limited Review of the above financial results.
- During the previous year, the credit facilities of the Company have been classified under SMA-2 category with banks. On December 16, 2015, Joint Lender's Forum (JLF) was formed for corrective action plan. As per the discussions in JLF meeting held on 25th January, 2016, it was decided to invoke Strategic Debt Restructuring (SDR) as per RBI guidelines. Pursuant to SDR Scheme, the Company on August 09, 2016 allotted 11,90,24,732 equity shares of Re. 1/- per share to SDR Lenders at a price of Rs.7.66 per share entitling them to collectively hold 51% of post allotment paid up share capital of the Company. The said allotted shares are subject to the lock-in requirement up to August 25, 2017.
- This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 01, 2016, the Company has for the first time adopted Ind AS with a transition date of April 01, 2015.
- The Statement does not include Ind AS compliant results for the previous year ended March 31, 2016 as the same is not mandatory as per SEBI's circular dated July 05, 2016.
- The reconciliation of net profit or loss reported in accordance with Indian GAAP to Total Comprehensive Income in accordance with Ind AS is given below:



Statement of Unaudited Financial Results for the Quarter and Nine Months Ended December 31, 2016.

Description	(Rs. in lacs)	
	Quarter Ended 31.12.2015	Nine Months Ended 31.12.2015
<b>Net Profit / (Loss) as per previous GAAP (Indian GAAP)</b>	<b>(4,973.27)</b>	<b>(11,069.15)</b>
a) Notional income from Corporate Guarantee in favor of subsidiaries	14.66	43.99
b) Interest income recognised on fair valuation of Loans given to subsidiaries	49.10	147.30
c) Rent expenses recognised on fair value of security deposits	(1.48)	(4.38)
d) Discounting of security deposits paid to present value and corresponding impact on finance income	1.54	4.62
e) Actuarial gain or loss on defined benefit plan transferred to Other Comprehensive Income	(3.01)	(9.02)
f) Impact of adjustment on ancillary cost on borrowing amortised	(3.25)	(10.19)
g) Impact of Investments carried at fair value through Profit and Loss	2.42	7.37
h) Deferred tax impact on above adjustments	(20.83)	(62.39)
<b>Profit / (Loss) for the quarter as per Ind AS</b>	<b>(4,934.11)</b>	<b>(10,951.85)</b>
Other Comprehensive Income		
a) Actuarial gain or loss on defined benefit plan transferred from profit and loss	3.01	9.02
<b>Total Comprehensive Income / (Loss) for the quarter</b>	<b>(4,931.11)</b>	<b>(10,942.83)</b>

6 Segment wise Revenue, Results and Capital Employed :

Particulars	(Rs. in lacs)				
	Quarter Ended			Nine Months Ended	
	31.12.2016 (Unaudited)	30.09.2016 (Unaudited)	31.12.2015 (Unaudited)	31.12.2016 (Unaudited)	31.12.2015 (Unaudited)
<b>1 Segment Revenue</b>					
a. Domestic	3,994.93	4,704.92	5,429.35	13,450.77	25,900.87
b. Exports	825.04	1,483.11	3,186.21	4,039.09	8,926.44
<b>Total</b>	<b>4,819.97</b>	<b>6,188.03</b>	<b>8,615.56</b>	<b>17,489.86</b>	<b>34,827.31</b>
<b>2 Segment Results</b>					
Profit / (Loss) before tax and interest for each segment					
a. Domestic	(1,668.45)	(1,496.35)	(3,955.70)	(6,706.16)	(7,951.72)
b. Exports	14.37	73.48	456.46	256.12	1,148.52
<b>Total</b>	<b>(1,654.08)</b>	<b>(1,422.87)</b>	<b>(3,499.24)</b>	<b>(6,450.04)</b>	<b>(6,803.20)</b>
Less :					
i) Finance costs	803.60	872.96	1,018.09	2,661.77	2,912.09
ii) Un-allocable expenses net off income	922.88	1,003.22	399.99	2,037.58	1,194.41
iii) Exceptional items	-	-	-	-	-
<b>Total Profit / (Loss) before tax</b>	<b>(3,380.57)</b>	<b>(3,299.05)</b>	<b>(4,917.32)</b>	<b>(11,149.38)</b>	<b>(10,909.70)</b>
Less: Tax Expenses	38.97	28.99	16.79	76.89	42.14
<b>Net Profit / (Loss)</b>	<b>(3,419.53)</b>	<b>(3,328.04)</b>	<b>(4,934.11)</b>	<b>(11,226.27)</b>	<b>(10,951.85)</b>
<b>3 Segment Assets</b>					
a. Domestic	30,420.94	33,097.55	48,128.71	30,420.94	48,128.71
b. Exports	6,597.41	6,927.95	8,460.50	6,597.41	8,460.50
Unallocated Capital Employed	15,178.25	15,573.11	15,900.47	15,178.25	15,900.47
<b>Total</b>	<b>52,196.60</b>	<b>55,598.60</b>	<b>72,489.68</b>	<b>52,196.60</b>	<b>72,489.68</b>
<b>4 Segment Liabilities</b>					
a. Domestic	22,268.57	21,676.66	29,536.89	22,268.57	29,536.89
b. Exports	2,422.02	2,997.33	4,876.58	2,422.02	4,876.58
Unallocated Capital Employed	-	-	-	-	-
<b>Total</b>	<b>24,690.59</b>	<b>24,673.99</b>	<b>34,413.48</b>	<b>24,690.59</b>	<b>34,413.48</b>

Date : February 14, 2017  
Place : Mumbai



For and on behalf of the Board

*Nikhil Chaturvedi*  
Nikhil Chaturvedi  
Managing Director  
DIN : 00004983