



E-LAND
APPAREL

Date: 13th February, 2019

The General Manager
Department of Corporate Services
BSE Limited
New Trading Ring,
Rotunda Building, 1st Floor,
P.J Towers, Dalal Street,
Fort, Mumbai - 400 001
Scrip Code: 532820

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G-Block,
Bandra-Kurla Complex, Bandra (East)
Mumbai - 400 051
Symbol: ELAND

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on Wednesday, 13th February, 2019

This is to inform you that the Board of Directors at its meeting held on Wednesday, 13th February, 2019 has;

1. Considered & approved the Un-Audited Financial Results of the Company along with Limited Review Report for the quarter ended 31st December, 2018.

This is for your information and records.

For E-Land Apparel Limited

Ms. Hemlata Gupta
Company Secretary

Membership Number: A49430

Add: Makan No.69, Gram Panchayat Bhawan ke piche,
Choti Rengaon Road Barwani Rajpur 451449 MP

E-Land Apparel Limited
(Formerly known as Mudra Lifestyle Limited)

Regd Off :- #16/2B, Sri Vinayaka Indl Estate, Singasandra Near Dakshin Honda Showroom House Road, Bangalore KARNATAKA 560068
IN, CIN : L17110KA1997PLC120558, Web : www.elandapparel.com

(₹ in Lakhs)

Statement of Unaudited Financial Results for the quarter ended December 31, 2018							
Sl No.	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-18	30-Sep-18	31-Dec-17	31-Dec-18	31-Dec-17	31-Mar-18
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations	4,439.18	3,786.50	3,784.06	12,545.80	13,966.31	18,371.52
2	Other income	8.25	119.63	40.56	371.42	129.53	208.21
3	Total Income (1+2)	4,447.43	3,906.13	3,824.62	12,917.22	14,095.84	18,579.73
4	Expenses						
	(a) Cost of raw material and components consumed	2,071.31	2,305.42	2,745.81	7,033.12	8,554.79	10,690.43
	(b) Changes in inventories of finished goods, work-in-progress	517.79	(495.18)	(475.16)	(39.30)	139.56	518.53
	(c) Excise duty	-	-	-	-	21.04	21.04
	(d) Employee benefits expenses	1,310.08	1,328.03	1,535.51	3,938.08	4,635.60	6,139.30
	(e) Finance costs (Refer Note 6)	1,064.75	1,038.35	54.39	3,125.14	162.88	2,241.33
	(f) Depreciation, Amortization and Impairment expense	49.11	50.47	727.70	145.65	2,019.54	209.43
	(g) Other expenses	840.86	570.87	894.80	2,122.11	2,576.52	2,991.14
	Total expenses	5,853.90	4,797.96	5,483.09	16,324.80	18,109.93	22,811.20
5	Loss before tax and exceptional items (3-4)	(1,406.47)	(891.83)	(1,658.47)	(3,407.58)	(4,014.09)	(4,231.47)
6	Exceptional items - (Income) / Expenses (Refer Note 1)	-	-	-		-	3,611.02
7	Loss before tax (5-6)	(1,406.47)	(891.83)	(1,658.47)	(3,407.58)	(4,014.09)	(7,842.49)
8	Tax expense						
	(1) Current tax expenses	-	-	-		-	-
	(2) Deferred tax	-	-	-		-	-
9	Loss for the period / year (7-8)	(1,406.47)	(891.83)	(1,658.47)	(3,407.58)	(4,014.09)	(7,842.49)
10	Other comprehensive Income						63.69
	1 (a) Items that will not be reclassified to profit and loss	-	-	-		-	-
	(b) Income tax relating to items that will not be reclassified to profit or loss	-	-	-		-	-
	2 (a) Items that will be reclassified to profit and loss	-	-	-		-	-
	(b) Income tax relating to items that will not be reclassified to profit or loss	-	-	-		-	-
	Total	-	-	-		-	63.69
11	Total Comprehensive Income for the period / year (9+10)	(1,406.47)	(891.83)	(1,658.47)	(3,407.58)	(4,014.09)	(7,778.80)
12	Paid-up equity share capital (Face Value ₹ 10/-)	4,799.05	4,799.05	4,799.05	4,799.05	4,799.05	4,799.05
13	Earnings per equity share (of ₹ 10/- each) *						
	Basic and Diluted	(2.93)	(1.86)	(3.46)	(7.10)	(8.36)	(16.34)
	See accompanying notes to the financial results						

* Not annualised for the quarter



Notes to financial results:

1	Exceptional items constitute (Income) / Expenses :	(₹ in lakhs)					
		Quarter ended			Nine Months Ended		Year ended
		31/Dec/18	30/Sep/18	31/Dec/17	31/Dec/18	31/Dec/17	31/Mar/18
	Accelerated notional Interest on interest free borrowings (net of deemed guarantee commission income) (Refer note 1.1 below)	-	-	-	-	-	3,872.67
	Benefit on One Time Settlement (OTS) with lenders (Refer note 1.2 below)	-	-	-	-	-	(157.61)
	Reversal of right of recompense liability payable to lenders (Refer note 1.2 below)	-	-	-	-	-	(104.04)
	Total	-	-	-	-	-	3,611.02

1.1. The Company, in 2012, had applied for the restructuring of its debts through Corporate Debt Restructuring (CDR) Mechanism as envisaged under the Reserve Bank of India (RBI) guidelines. Pursuant to the same, based on approval of the CDR cell, the Company entered into a Master Restructuring Agreement in September 2012. In 2016, the Company and its fellow subsidiary viz. E-Land Fashion India Private Limited ("EFIPL") had applied for One Time Settlement (OTS) with all the banks in the consortium, pursuant to which, approval was received during the year ended March 31, 2018 from all the banks for the OTS in respect of the borrowings of both the entities. Based on receipt of the approval for OTS from the consortium of lenders, the Company utilized Export Advances received from E-Land Asia Holdings Pte, the Holding Company, to repay the borrowings from banks and also the borrowings from EFIPL to ensure that the entities comply with the OTS as a Group. This has resulted in an accelerated unwinding of the notional interest (net of deemed guarantee commission income) on the interest-free borrowings from EFIPL of Rs. 3,872.67 lakhs.

1.2 During the quarter ended March 31, 2018, the OTS formalities, including reconciliation of balances, settlement of dues, final approval from CDR, receipt of 'No Dues Certificate' from banks etc. have been completed and accordingly, an amount of Rs. 157.61 lakhs was credited to the Statement of Profit and Loss towards the benefit arising on account of the OTS. Further, the Company also reversed the provision for right of recompense amounting to Rs. 104.04 lakhs made in the books in the previous periods.

- 2 The Government of India introduced the Goods and Service Tax (GST) with effect from July 1, 2017. Consequently, the revenue for the periods after such date are presented net of GST and are accordingly not comparable with the previous period ended June 30, 2017 presented in the results.
- 3 The Company has incurred losses of Rs. 1406.47 lakhs (before other comprehensive income) for the quarter ended December 31, 2018 (quarter ended December 31, 2017 - Rs. 1,658.47 lakhs) and the accumulated losses exceed its paid up capital and other equity as on that date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and, therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The Management is currently implementing a plan to increase turnover, improve profitability and financial position, sell certain non-core assets and has assessed that it will be able to meet the working capital requirements for the next 12 months based on its cash flow projections. The Holding company has also confirmed financial support to the Company to continue as a going concern. The Company is therefore being viewed as a going concern and the financial results have been prepared under the going concern assumption.
- 4 The Company has only one reportable segment i.e. Garments.
- 5 Ind AS 115 – Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue standard Ind AS 18. The application of Ind AS 115 has impacted the Company's accounting for recognition of revenue from contracts with customers insofar as it relates to accounting of significant financing component in the contracts.

The Company has applied the modified retrospective approach to contracts that were not completed as on April 1, 2018 and has given impact of Ind AS 115 application by debit to the opening balance of retained earnings as at the said date by Rs. 2,065.04. Accordingly, the comparatives have not been restated and hence not comparable with previous period figures.

For the quarter ended December 31, 2018, the application of Ind AS 115 has resulted in the Finance costs being higher by Rs. 1064.75 lakhs (Quarter ending September '18 - 1017.39 lakhs) and loss after tax being higher by a similar amount vis-à-vis the amounts if the replaced standard was applicable. The basic and diluted EPS would be Rs. (0.71) as against Rs. (2.93)

- 6 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 13, 2019 and have been subjected to limited review by the Statutory Auditors.
- 7 The company has changed its register office from Mumbai to Bangalore



For and on behalf of the Board of E-Land Apparel Limited


 Chong Tae Baek
 Independent Director
 DIN: 01566661
 Place : Mumbai
 Date : February 13, 2019



(₹ in Lakhs)

Particulars	As at 31st Dec 2018	As at 31 March 2018
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment	4,196.54	4,336.52
(b) Other Intangible assets	30.13	53.86
(c) Financial Assets		
(i) Investments		
a) Other investments	1.00	1.00
(ii) Other financial assets	243.41	260.42
(d) Other non-current assets	407.70	447.28
Total Non - Current Assets	4,878.78	5,099.08
Current assets		
(a) Inventories	2,109.55	2,196.46
(b) Financial assets		
(i) Other Investments	18.11	22.78
(ii) Trade receivables	2,308.18	2,305.23
(iii) Cash and cash equivalents	196.18	560.74
(iv) Other financial assets	12.30	16.28
(c) Other current assets	1,428.05	946.37
	6,072.37	6,047.85
Assets classified as held for sale	19.32	19.32
Total current assets	6,091.69	6,067.18
Total assets	10,970.47	11,166.26
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	4,799.05	4,799.05
(b) Other equity	(33,744.43)	(28,271.75)
Total Equity	(28,945.38)	(23,472.70)
Liabilities		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,098.81	1,000.97
(ii) Other financial liabilities	14.00	14.01
(b) Provisions	345.78	346.74
(c) Other non-current liabilities	34,095.21	28,935.14
Total Non - Current Liabilities	35,553.80	30,296.86
Current liabilities		
(a) Financial Liabilities		
(i) Trade payables	3,714.34	3,605.41
(ii) Other financial liabilities	5.52	13.20
(b) Provisions	212.66	138.34
(c) Other current liabilities	429.53	585.15
Total Current Liabilities	4,362.05	4,342.10
Total Liabilities	39,915.85	34,638.96
Total Equity and Liabilities	10,970.47	11,166.26



For and on behalf of the Board of E-Land Apparel Limited


Chong Tae Baek
Independent Director

DIN: 01566661
Place : Mumbai
Date : February 13, 2019



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO
THE BOARD OF DIRECTORS OF
E-LAND APPAREL LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results ("the Statement") of **E-LAND APPAREL LIMITED** ("the Company"), for the quarter ended December 31, 2018 and year to date results for the period 1 April 2018 to 31 December 2018, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) 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 approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

We have not performed a review of the figure relating to the 1st quarter, corresponding quarter of previous year, nine months ended as on 31st December, 2017, which were reviewed by Deloitte Haskins & Sells LLP, Chartered Accountants, the predecessor auditor and for the year ended 31st March, 2018 which were audited by the predecessor auditor.

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 Indian 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, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.



4. We draw attention to Note 3 of the Statement, which indicates that the Company has incurred losses of Rs.1,406.47 lakhs for the quarter ended December 31, 2018 and the accumulated losses as on that date, have eroded the net-worth of the Company. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the Statement has been prepared on a going concern basis for the reasons stated in the said Note.

Our report is not modified in respect of this matter

For Hinesh R. Doshi & Co LLP
Chartered Accountants
Firm Registration No- 103677W/W100056

Hinesh R Doshi

Hinesh R. Doshi
Partner
Membership No. 042539
Place: Mumbai
Date: 13th February, 2019

