



E-LAND
APPAREL

Date: 14th February, 2020

To,
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

Dear Sir/Madam,

Subject: Outcome of Board Meeting

Reference: Regulation 30 of SEBI (Listing Obligations & Disclosure' Requirements) Regulations, 2015

We wish to inform you that pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 it is hereby informed that the meeting of Board of Directors of the Company held on Friday, 14th February, 2020, at Palai Plaza, 3rd Floor, 9, Kohinoor Road, Opp Hotel Pritam, Dadar (East), Mumbai 400014 considered and approved Un-audited Financial Results along with Limited Review Report for the quarter ended as on 31st December, 2019 annexed hereto and marked as **Annexure - A**.

The meeting commenced at 11:30 A.M. and concluded at 03:10 P.M.

We request you to take the above on your record.

For E-LAND APPAREL LIMITED

Mr. CHONG TAE BAEK
Independent Director
DIN: 01566661
Place: Mumbai

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

Auditor's Report on Quarterly Financial Results of E-Land Apparel Limited pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

TO
THE BOARD OF DIRECTORS OF E-LAND APPAREL LIMITED

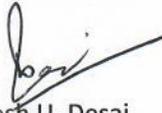
1. We have reviewed the accompanying statement of standalone unaudited financial results ("the statement") of **E-Land Apparel Limited ("the company")** for the quarter ended 31st December 2019 and the year to date results for the period 1st April 2019 to 31st December 2019 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. 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 ('the Act'). SEBI Circular CIR/CFD/FAC/62/2016 dated 5th July 2016 and CIR/IMD/DF1/69/2016 dated 10th August 2019 (hereinafter referred to as 'SEBI Circulars'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review
3. 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. 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 recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circulars, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. We draw attention to Note 5 of the financial results for the quarter ended 31st December 2019, wherein there has been fraud in the company. As of the reporting date, from the total vendor accounts which were verified, amount of Rs. 2,18,08,785/- were unreconciled. Out of the unreconciled amount, two employees have agreed for the wrongful discounting and swindling away with the payment of Rs. 1,34,11,561/- from the Company bank account. Company has recovered amount of Rs. 122,95,540/- from both the employees. Company is in the process of recovering the balance amount of Rs. 95,13,245/-.
6. We draw attention to Note 1 of the Statement, which indicates that the Company has incurred losses of Rs.1,449.63 lakhs for the quarter ended 31st December, 2019 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 U. Desai
Partner

Membership No. 132753

UDIN: 20132753AAAAAI513



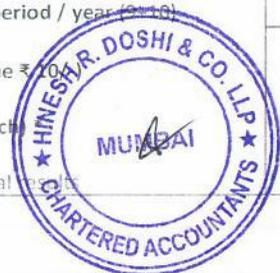
Place: Mumbai

Date: 14th February, 2019

(₹ in Lakhs)

Statement of Unaudited Financial Results for the quarter ended Dec 31, 2019							
Sl No.	Particulars	Quarter ended			Period ended		Year ended
		31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations	3,435.53	4,495.94	4,439.18	11,280.06	12,545.80	17,201.89
2	Other income	27.32	3.32	8.25	94.25	371.42	404.61
3	Total Income (1+2)	3,462.85	4,499.26	4,447.43	11,374.32	12,917.22	17,606.50
4	Expenses						
	(a) Cost of raw material and components consumed	2,084.11	2,165.04	2,071.31	6,035.73	7,033.12	9,296.74
	(b) Changes in inventories of finished goods, work-in-progress	(349.08)	171.45	517.79	(90.10)	(39.30)	195.55
	(c) Employee benefits expenses	1,328.99	1,310.29	1,310.08	3,953.88	3,938.08	5,155.67
	(d) Finance costs (Refer Note 3)	1,224.94	1,046.30	1,064.75	3,334.78	3,125.14	3,910.37
	(e) Depreciation, Amortization and Impairment expense	237.04	52.13	49.11	333.61	145.65	194.39
	(f) Other expenses	386.47	685.49	840.86	1,665.22	2,122.11	3,005.66
	Total expenses	4,912.47	5,430.70	5,853.90	15,233.12	16,324.80	21,758.38
5	Loss before tax and exceptional items (3-4)	(1,449.63)	(931.44)	(1,406.47)	(3,858.80)	(3,407.58)	(4,151.88)
6	Exceptional items - (Income) / Expenses	-	-	-	-	-	-
7	Loss before tax (5-6)	(1,449.63)	(931.44)	(1,406.47)	(3,858.80)	(3,407.58)	(4,151.88)
8	Tax expense						
	(1) Current tax expenses	-	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-	-
9	Loss for the period / year (7-8)	(1,449.63)	(931.44)	(1,406.47)	(3,858.80)	(3,407.58)	(4,151.88)
10	Other comprehensive Income						
	1 (a) Items that will not be reclassified to profit and loss	-	-	-	-	-	28.72
	Total	-	-	-	-	-	28.72
11	Total Comprehensive Income for the period / year (9+10)	(1,449.63)	(931.44)	(1,406.47)	(3,858.80)	(3,407.58)	(4,123.16)
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	(3.02)	(1.94)	(2.93)	(8.04)	(8.04)	(8.04)
See accompanying notes to the financial statements							

* Not annualised for the quarter



Notes to financial results:

(₹ in lakhs)

- 1 The Company has incurred losses of Rs. 1,449.63 lakhs (before other comprehensive income) for the quarter ended December 31, 2018 - Rs. 1,406.47 lakhs) The accumulated losses exceed its paid up capital and other equity as on 31st December, 2019. 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. The Holding company has 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.
- 2 The Company has only one reportable segment i.e. Garments.
- 3 For the quarter ended December 31, 2019, the application of Ind AS 115 has resulted in the the Finance costs being higher by Rs. 1,097.49 lakhs (Quarter ending September '19 -1,046.30 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. (0.73) as against Rs. (3.02).
From April 1, 2019, the new Indian accounting standard i.e Ind AS 116 "Leases" became effective. The company has adopted the new standard with modified approach and recognised asset in the form of 'Right of Use Asset' (representing its right of use the leased asset over the lease term) after adjusting the prepaid rent and also liability towards present value of the balance future lease payments for the leases. In the statement of profit and loss for the period ended 31st December, 2019, the nature of expenses in respect of operating leases has changed from lease rent in previous period to depreciation cost for right of use asset and the finance cost for interest accrued on the lease liability.
- 4 At the time of vendor reconciliation, it has been observed that there has been wrongful discounting of payments to vendors and swindling away with Company funds by two employees of the Company. On further enquiry, both the employees have accepted to indulge in such activities. As of the reporting date, from the total vendor accounts which were verified, amount of Rs. 2,18,08,785/- were unreconciled. Out of the unreconciled amount, both employees have agreed for the wrongful discounting and swindling with the payment of Rs. 1,34,11,561/- from the Company bank account. Company has recovered amount of Rs. 122,95,540/- from both the employees. Company is in the process of recovering the balance amount of Rs. 95,13,245/- Company is also in process of further investigating the unreconciled vendor ledgers and quantifying the total amount involved. Company has terminated both the employees with immediate effect.
- 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 14, 2020 and have been subjected to limited review by the Statutory Auditors.



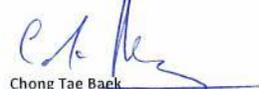
For and on behalf of the Board of E-Land Apparel Limited


Chong Tae Baek
Independent Director
DIN: 01566661
Place: Mumbai
Date: February 14, 2020



Particulars	As at 31st Dec 2019	As at 31 March 2019
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment	6,784.33	4,295.72
(b) Other Intangible assets	10.68	21.99
(c) Financial Assets		
(i) Investments		
a) Other investments	1.00	1.00
(ii) Other financial assets	155.00	257.99
(d) Other non-current assets	154.51	394.77
Total Non - Current Assets	7,105.52	4,971.46
Current assets		
(a) Inventories	1,967.12	1,639.47
(b) Financial assets		
(i) Other Investments	14.80	18.47
(ii) Trade receivables	1,801.65	1,937.31
(iii) Cash and cash equivalents	308.88	1,749.01
(iv) Other financial assets	13.68	19.53
(c) Other current assets	1,053.00	1,184.20
	5,159.13	6,547.99
Total assets	12,264.65	11,519.45
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	4,799.05	4,799.05
(b) Other equity	(39,303.01)	(35,444.20)
Total Equity	(34,503.94)	(30,645.16)
Liabilities		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	3,770.87	3,504.64
(ii) Other financial liabilities	14.00	14.00
(b) Provisions	341.35	341.35
(c) Other non-current liabilities	39,096.05	34,752.49
Total Non - Current Liabilities	43,222.27	38,612.49
Current liabilities		
(a) Financial Liabilities		
(i) Trade payables	2,371.75	3,028.42
(ii) Other financial liabilities	90.63	5.66
(b) Provisions	178.68	166.07
(c) Other current liabilities	905.25	351.98
Total Current Liabilities	3,546.31	3,552.12
Total Liabilities	46,768.59	42,164.61
Total Equity and Liabilities	12,264.65	11,519.45

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


Chong Tae Back

Independent Director

DIN: 01566661

Place: Mumbai

Date: February 14, 2020

