

November 12, 2020

To,
BSE Limited,
P.J. Tower, Dalal Street,
Mumbai – 400 001.

Scrip Code: 532820

Dear Sir/Madam,

Subject: Outcome of Board Meeting of the Company held today on November 12, 2020

Reference: Regulation 30 of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015.

Pursuant to Regulation 30 of SEBI (Listing Obligations & Disclosures Requirements), Regulations, 2015 it is hereby informed that the Board of Directors at their meeting held today on **Thursday, November 12, 2020** at 2105 Block 2 Shobha Classic Apartment, Haralur Main Road Near Ozone Residenza, Bangalore South, Bengaluru 560102 by means of **video conferencing** inter alia; considered and approved the Un-audited Financial Results of the Company for the Quarter and half year ended **30th September, 2020** which is annexed hereto and marked as **Annexure-A**

The meeting commenced **10:30 A.M** and concluded **12:45 P.M**

We request you to take the above on your record

FOR E-LAND APPAREL LIMITED

Jaeho
Song

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by Jaeho Song
Date: 2020.11.12
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JAE HO SONG
Managing Director

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)


To
THE BOARD OF DIRECTORS OF E-LAND APPAREL LIMITED

1. We have reviewed the accompanying statement of standalone unaudited financial results of **E-Land Apparel Limited ("the company")** for the quarter ended 30th September 2020 and year to date from 1st April 2020 to 30th September 2020 ("the statement") 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') 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 2 in the standalone unaudited financial results for the quarter and half year ended 30th September, 2020, which describes uncertainties, the Company is facing as a result of COVID-19 and the management evaluation of its operations and financial reporting for the quarter. Such assessments are dependent on the circumstances as they evolve in the subsequent periods.
6. We draw attention to Note 3 of the Statement, which indicates that the Company has incurred losses of Rs. 1,403.69 lakhs for the quarter ended 30th September, 2020 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.

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

HINESH
RAMESHCHANDRA
DOSHI

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RAMESHCHANDRA DOSHI
Date: 2020.11.12 12:22:49
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Hinesh R. Doshi
Partner
Membership No. 042539
UDIN: 20042539AAAAM04030
Place: Mumbai
Date: 12th November, 2020

Statement of Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2020

Sl No.	Particulars	Quarter Ended			Half Year ended	Half Year ended	Year Ended
		30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations	2,712.00	1,823.05	4,495.94	4,535.06	7,844.53	14,934.90
2	Other income	22.67	36.10	3.32	58.77	66.94	312.75
3	Total income (1+2)	2,734.67	1,859.15	4,499.26	4,593.82	7,911.47	15,247.65
4	Expenses						
	(a) Cost of raw material and components consumed	1,562.22	622.72	2,165.04	2,184.94	3,951.62	7,801.39
	(b) Changes in inventories of finished goods, work-in-progress	(211.66)	167.22	171.45	(44.43)	258.99	35.33
	(c) Employee benefits expenses	1,039.30	818.16	1,310.29	1,857.46	2,624.89	5,417.02
	(d) Finance costs (Refer Note 5)	1,174.84	1,192.16	1,046.30	2,367.00	2,109.83	4,822.52
	(e) Depreciation, Amortization and Impairment expense	107.64	103.03	52.13	210.68	96.57	439.06
	(f) Other expenses	466.01	421.03	685.49	887.04	1,278.75	1,975.16
	Total expenses	4,138.36	3,324.32	5,430.70	7,462.69	10,320.64	20,490.48
5	Loss before tax and exceptional items (3-4)	(1,403.69)	(1,465.17)	(931.44)	(2,868.86)	(2,409.17)	(5,242.83)
6	Exceptional items - (Income) / Expenses	-	-	-	-	-	-
7	Loss before tax (5-6)	(1,403.69)	(1,465.17)	(931.44)	(2,868.86)	(2,409.17)	(5,242.83)
8	Tax expense						
	(1) Current tax expenses	-	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-	-
9	Loss for the period / year (7-8)	(1,403.69)	(1,465.17)	(931.44)	(2,868.86)	(2,409.17)	(5,242.83)
10	Other comprehensive Income						
	1 (a) Items that will not be reclassified to profit and loss	-	-	-	-	-	30.04
	Total	-	-	-	-	-	30.04
11	Total Comprehensive Income for the period / year (9+10)	(1,403.69)	(1,465.17)	(931.44)	(2,868.86)	(2,409.17)	(5,212.79)
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	(2.92)	(3.05)	(1.94)	(5.98)	(5.02)	(10.92)
	See accompanying notes to the financial results						

* Not annualised for the quarter

Notes to financial results:

(₹ in lakhs)

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 12, 2020 and have been subjected to Limited Review by the Statutory Auditors.

Due to outbreak of Covid-19 a Nationwide Lockdown was imposed by the Government of India vide MHA Order w.e.f. 23rd March and thereafter it was only during mid of May 2020 it had granted permission to certain extent to run the factory. Since the Lockdown period all our business operation remained on standstill and was disrupted till mid of May 2020. Due to outbreak of Covid-19, many workers have migrant from Bangalore to other states. Hence due to such migration the Company had to face the shortage of workers for the operation of factory.

- 2 As per Government (Ministry Home Affairs) MHA Guidelines, the Government had allowed to operate the Factory with all Safety and Security measures to fight against the Covid-19. Hence, company started our operation at our Factory with 50% of its previous capacity only. The safety of employees who are now required to step out for work is being ensured and they have been mandated to use protective gear and take all safety precautions.

However, company was not able to operate at its full extent to meet its minimum operating cost. Due to loss of Income/Sale and negative cashflow it became very difficult for the company to operate and to manage even the minimum operational cost. However, Company expects to receive carrying amount of all its assets including trade receivables, inventory and advances in ordinary course of business.

However, Considering the fact that the situation is exceptional and is changing dynamically, the Company is not in a position to gauge with certainty, the future impact on its operations. Company is sure that demand in garments will take some time certainly for pick up. In spite of many challenges of Covid-19 situation, we are expecting new opportunity in protective apparel and textile industry to overcome the situation.

- 3 The Company has incurred losses of Rs. 1,403.69 lakhs (before other comprehensive income) for the quarter ended September 30, 2020 (quarter ended September 30, 2019 - Rs. 931.44 lakhs). The accumulated losses exceed its paid up capital and other equity as on September 30, 2020. 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 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.
- 4 The Company has only one reportable segment i.e. Garments.
- 5 For the quarter ended September 30, 2020, the application of Ind AS 115 has resulted in the Finance costs being higher by Rs. 1,085.47 lakhs (Quarter ending June'20 - Rs. 1,098.83 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. (0.66) as against Rs. (2.92).


Jag Ho Song
 Managing Director
 DIN: 7830731
 Place: Bangalore
 Date: November 12, 2020

Particulars		As at 30th Sept 2020	As at 31st Mar 2020
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4(a)	4,036.93	4,054.40
(b) Other Intangible assets	5	8.11	9.75
(c) Capital Work-in-progress	4(b)	1,952.78	1,727.07
(d) Right - of - use asset	4(c)	823.78	1,024.22
(e) Financial Assets			
(i) Investments			
a) Other investments	6	1.00	1.00
(ii) Other financial assets	7(a)	179.04	174.20
(f) Other non-current assets	8(a)	304.79	303.91
Total Non - Current Assets		7,306.43	7,294.55
Current assets			
(a) Inventories	9	1,850.42	1,582.01
(b) Financial assets			
(i) Other Investments			
(ii) Trade receivables	11	1,201.73	1,676.29
(iii) Cash and cash equivalents	12	603.78	223.72
(iv) Bank balances other than (iii) above	12	26.88	26.39
(v) Other financial assets	7(b)	18.35	11.38
(c) Other current assets	8(b)	884.06	1,087.31
		4,614.39	4,620.27
Total current assets		4,614.39	4,620.27
Total assets		11,920.82	11,914.82
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	4,799.05	4,799.05
(b) Other equity	14	(43,525.83)	(40,657.01)
Total Equity		(38,726.78)	(35,857.96)
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings			
(ii) Other financial liabilities	16(a)	24.00	14.00
(iii) Lease Liability	16(c)	939.18	1,086.09
(b) Provisions	17(a)	339.62	339.63
(c) Other non-current liabilities	18(a)	41,257.73	38,805.13
Total Non - Current Liabilities		47,280.11	44,522.48
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings			
(ii) Trade payables	20		
- Due to Micro Small & Other Enterprise			6.42
- Due to Others		2,548.85	2,089.67
(iii) Other financial liabilities	16(b)	38.12	32.14
(b) Provisions	17(b)	199.80	177.74
(c) Other current liabilities	18(b)	576.25	910.15
Total Current Liabilities		3,367.49	3,250.26
Total Liabilities		50,647.60	47,772.74
Total Equity and Liabilities		11,920.82	11,914.82

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

Jae Ho Song

Managing Director

DIN: 7830731

Place: Bangalore

Date: November 12, 2020

E-Land Apparel Limited

Cash flow statement for the Half year ended September 30, 2020

(₹ in Lakhs)

Particulars	For the Half year ended September 30, 2020	For the year ended March 31, 2020
Cash flows from operating activities		
Net loss before tax	(2,868.84)	(5,242.83)
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	210.68	439.06
(Profit)/Loss on sale of property, plant and equipment	-	27.98
Interest income	(11.47)	(29.80)
Dividend income	-	(0.15)
Sundry balances (written back) / written off (Net)	55.02	8.85
Interest / finance charges	2,367.00	4,822.52
Bad debts written off	64.88	1.24
Provision / (Reversal of Provision) for doubtful receivables	(25.14)	61.82
Provision / (Reversal of Provision) for Advances to suppliers	(43.18)	(107.81)
Unrealized foreign exchange loss / (gain)	(28.20)	(48.91)
Operating cash flow before working capital changes	(279.25)	(68.04)
Movements in working capital:		
Decrease / (Increase) in inventory	(268.41)	57.45
Decrease / (increase) in trade receivables	379.80	189.11
Decrease / (increase) in Other assets (Financial & Non- financial)	307.04	1,096.03
Decrease / (increase) in Current Investments	(16.00)	5.30
(Decrease) / increase in Trade Payables	409.58	(1,040.14)
(Decrease) / increase in Other Liabilities (Financial & Non-financial)	(184.84)	1,184.49
(Decrease) / increase in Provisions	(22.07)	9.94
Cash generated / (used) from operating activities before taxes	325.83	1,434.14
Direct taxes (paid)/ Reversal of taxes	-	-
Net cash generated / (used) in operating activities (A)	325.83	1,434.14
Cash flows from investing activities		
Purchase of property, plant and equipment including CWIP and capital advances	(151.37)	(1,828.35)
Proceeds from sale of property, plant and equipment	-	11.24
Interest income	5.14	17.88
Investments/ (redemption) in bank deposits (having original maturity of more than three months)	(0.49)	26.39
Dividends	-	0.15
Net cash generated / (used) in investing activities (B)	(146.73)	-1,772.70
Cash flows from financing activities		
Interest / finance charges paid	(8.00)	(40.41)
Payment of Lease Liability	(141.31)	(315.24)
Proceeds / Repayment with respect to loans	350.28	247.14
Net cash generated / (used) in investing activities (C)	200.97	(108.51)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	380.06	(447.08)




Particulars	For the Half year ended September 30, 2020	For the year ended March 31, 2020
Cash and cash equivalents at the beginning of the year	223.72	670.80
Cash and cash equivalents at the end of the year	603.78	223.72
Components of Cash and cash equivalents		
Cash on hand	1.32	2.68
Balances with Bank - in current account	602.45	221.04
	603.78	223.72

Notes :

- The Cash flow statement has been prepared in accordance with 'Indirect Method' as set out in Ind AS-7 'Statement of Cash Flows', as notified under section 133 of the companies Act, 2013, read with the relevant rules issued thereunder.

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


 Jae Ho Song
 Managing Director
 DIN: 7830731
 Place: Bangalore
 Date: November 12, 2020

