



E-Land Apparel Limited

DIRECTORS' REPORT

To,
The Members of
E-Land Apparel Limited (*'Company'*)

Your Directors present the 22nd Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2019.

1. FINANCIALS:

a) FINANCIAL RESULTS:

The Financial Performance of the Company for the year ended 31st March, 2019 is summarized below:

(Rs. In Lakhs)

Particulars	Year ended 31 st March, 2019	Year ended 31 st March, 2018
Operational & Other Income	17606.5	18,579.73
Loss before Interest, Depreciation, Prior period items, Exceptional Items & Tax	(47.12)	(1780.71)
Interest	3910.37	2241.33
Depreciation & Amortization	194.39	209.43
Loss before exceptional items and tax	(4151.88)	(4231.47)
Prior period items	-	-
Exceptional Items	0.00	3611.02
Loss before tax	(4151.88)	(7842.49)
Less/(Add): Provision for Taxation including prior period adjustments	-	-
Other Comprehensive Income	28.72	63.69
Deferred Tax	-	-
Loss after tax	(4123.16)	(7778.80)

b) OPERATIONS OF THE COMPANY / COMPANY PERFORMANCE:

The Company's total income from operations for F.Y. 2018-19 at Rs. 17201.89 Lakhs was less as compared to last year by 6.37% (Rs. 18,371.52 Lakhs in F.Y. 2017-18). The total expenses for F.Y. 2018-19 at Rs. 21,758.38 Lakhs were lesser than by 4.62% over last year (Rs. 22,811.20 Lakhs in F.Y. 2017-18). Loss after tax for F.Y. 2018-19 stood at Rs. 4,151.88 Lakhs as against Rs. 7,842.49 Lakhs for F.Y. 2017-18 reflecting decrease in losses by 47.06%.

Focus efforts have been placed on expanding the end applications of our product line over the last several years which has helped in expected results this year, offering healthy sustainability for the years to come.

The company's product quality standards have been able to maintain steady relationships with our long standing customers along with building relationships with several new customers.

c) TRANSFER TO RESERVES:

As there are losses for the Financial Year 2018 - 2019, the Company did not transfer any amount to reserves during the year.

d) DIVIDEND:

As there are no profits, the Board of Directors of the Company does not recommend any payment of dividend on the equity shares for the Financial Year 2018 - 2019.



E-Land Apparel Limited

e) **UNPAID DIVIDEND & IEPF:**

The Company is not required to transfer any amount to IEPF Account.

f) **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time (including any amendment thereto or re-enactment thereof for the time being in force), Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of Financial Statements provided in this Annual Report.

g) **RELATED PARTY TRANSACTIONS:**

i. **THE PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All related party transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business as part of Company's philosophy of adhering to highest ethical standards, transparency and accountability.

All Related Party Transactions up to 31st March, 2019 were placed before the Audit Committee and the Board for approval. Also, prior omnibus approval of the Audit Committee was obtained for Related Party Transactions for the Financial Year 2018-19. The transactions entered into pursuant to the omnibus approval so granted were audited and a statement giving details of all related party transactions was placed before the Audit Committee for its review on a quarterly basis.

The particulars of contracts or arrangements with related parties as defined under Section 188 of the Companies Act, 2013 in the prescribed Form AOC-2 is annexed hereto and marked as **Annexure - I** and forms part of this Report.

In line with the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has approved a policy on related party transactions. An abridged policy on related party transactions has been placed on the Company's website at:

<http://www.elandapparel.com/Policy%20on%20Related%20Party%20Transactions%20-%20E-land.pdf>

Further, none of the Directors / Key Managerial Personnel has any pecuniary relationships or transactions vis-à-vis the Company which may have potential conflict with the interest of the Company at large.

ii. **DISCLOSURE OF RELATED PARTY TRANSACTION WITH PERSON OR ENTITY BELONGING TO PROMOTER & PROMOTER GROUP:**

During the year under review, the Company has sold garments of Rs. 4,14,88,000/- to **E-land Asia Holdings PTE Limited**, (Being Holding Company) an Entity belonging to Promoter or Promoter Group that holds 10% or more shareholding of the Company.

iii. **DISCLOSURE OF LOANS AND ADVANCES IN NATURE OF LOAN TO SUBSIDIARIES AND ASSOCIATE OF THE COMPANY:**

During the year under review, your Company did not have any subsidiary, associate and joint venture Company, hence the disclosure under said clause is not applicable.

h) **INSURANCE:**

The assets of your Company are adequately insured. Your Company has also taken out suitable cover for Public Liability.

i) **FIXED DEPOSITS:**



E-Land Apparel Limited

During the year under review, the Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

j) SHARE CAPITAL:

During the year under review, your Company's Authorized Share Capital is Rs. 60,01,00,000 comprising of 6,00,10,000 Equity Shares of Rs. 10/- each. The Company's paid up capital is Rs. 47, 99, 04,690 comprising of 4,79,90,469 Equity Shares of Rs. 10/- each fully paid up.

As on March 31, 2019, none of the Directors of the Company holds shares of the Company.

2. REMUNERATION / COMMISSION DRAWN FROM HOLDING / SUBSIDIARY COMPANY:

During the year under review, none of the Directors of the Company have drawn any remuneration / commission from the Company's holding Company / subsidiary Companies.

3. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATIONS AND JOINT VENTURE COMPANIES:

During the year under review, your Company did not have any subsidiary, associate and joint venture company

4. CORPORATE SOCIAL RESPONSIBILITY:

As the Company does not fall under any of the threshold limits given under the provisions of Section 135 of the Companies Act, 2013, the compliances under CSR are not applicable to the Company.

5. MATTERS RELATED TO INDEPENDENT DIRECTORS OF THE COMPANY:

a) DECLARATION BY INDEPENDENT DIRECTORS:

The independent directors have submitted the Declaration of Independence, as required pursuant to section 149(7) of the Companies Act, 2013 and Regulation 16 and 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that they meet the criteria of independence as provided in sub-section (6). There has been no change in the circumstances, which has affected their status as independent director.

Further, Non - Executive Directors of the Company had no pecuniary relationship other than sitting fee for attending meetings

b) EVALUATION BY INDEPENDENT DIRECTOR:

In a separate meeting of Independent Directors held on 13th February, 2019, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated.

6. MATTERS RELATING TO BOARD OF DIRECTORS OF THE COMPANY:

a) MEETING OF BOARD OF DIRECTORS OF THE COMPANY DURING THE FINANCIAL YEAR 2018-19:

During the year under review, the Board met **four** times in accordance with the provisions of the Companies Act, 2013 to discuss and decide on various business strategies, policies and other issues.

The intervening gap between any two Meetings was not more than the period prescribed by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Company has complied with the applicable Secretarial Standards in respect of all the above Board meetings.

The detailed composition of Board of Directors and requisite details are given in the Corporate Governance Report.



b) FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF BOARD, ITS COMMITTEES AND DIRECTORS:

The Board of Directors has adopted a formal mechanism for evaluating various aspects of the Board's functioning its performance and as well as that of its committee i.e. Audit, Nomination and Remuneration, Stakeholders Relationship, Risk Management Committee and individual directors. The criteria for performance evaluation of the Board include aspects like composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance, experience, competencies etc. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of Individual Directors who was evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest The Board of Directors expressed their satisfaction with the evaluation process.

7. APPOINTMENT, REAPPOINTMENT AND RESIGNATION OF DIRECTORS DURING THE YEAR 2018-19:

The Board of the Company comprised of five Directors, including one Managing Director and Four Non-Executive Independent Directors including One Woman Director as required under Section 149(1) of the Companies Act, 2013 as on 31st March, 2019. Further, Mr. Jae Ho Song, Managing Director of the Company was designated as Permanent Chairman of the Company as on 13th February, 2019.

a) APPOINTMENT:

During the year 2018-19, no Director has been inducted on the Board of the Company.

b) RESIGNATION OF DIRECTORS:

- Mr. Jung Ho Hong (having DIN 02229634), has tendered his resignation as the Whole time Director of the Company with effect from July 06, 2018.
- Mr. Supriyo Kumar Chaudhuri who was appointed as Nominee Director on behalf of State Bank of India on the Board of the Company w.e.f. May 30, 2017 has tendered her resignation with effect from May 29, 2018.

c) RE-APPOINTMENT OF DIRECTORS:

The existing agreement with Mr. Chong Tae Baek (Non-Executive - Independent Director) and Mr. Sivabalan Paul Pandian (Non-Executive - Independent Director) terminates on 31st March, 2019 and that of Mr. Kyoung Hur (Non-Executive - Independent Director) terminates on 4th August, 2019.

Pursuant to section 149 (10) of the Act, an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the Company for another term of up to five consecutive years on the Board of the Company.

In view of above provision and based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors in its meeting held on 13th February, 2019 proposed to reappoint Mr. Chong Tae Baek, Mr. Sivabalan Paul Pandian and Mr. Kyoung Hur for second term of five years by passing special resolution through Postal Ballot. Consequently, the members granted approval for reappointment of Mr. Chong Tae Baek, Mr. Sivabalan Paul Pandian and Mr. Kyoung Hur on 30th March, 2019. Brief details of tenure of Mr. Chong Tae Baek, Mr. Sivabalan Paul Pandian and Mr. Kyoung Hur as Non-Executive - Independent Director of the Company:

Sr. No.	Name of Director	Date of Re-appointment	Date of Termination
1.	Chong Tae Baek	1 st April, 2019	31 st March, 2024
2.	Kyoung Hur	1 st April, 2019	31 st March, 2024
3.	Sivabalan Pandian	5 th August, 2019	4 th August, 2024



d) RETIREMENT BY ROTATION:

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Jae Ho Song (DIN: 07837031), retires by rotation at the ensuring Annual General Meeting and being eligible, offers himself for re-appointment. He has confirmed that he is not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013.

Necessary resolution for re-appointment Mr. Jae Ho Song as Managing Director is given under Notice of Annual General Meeting of the Company.

8. APPOINTMENT, REAPPOINTMENT AND RESIGNATION OF KEY MANAGERIAL PERSONS DURING THE YEAR 2018-19:

a) APPOINTMENT :

- Ms. Hemlata Gupta was designated as Compliance Officer w.e.f. 09th May, 2018. She was further appointed as Company Secretary w.e.f. 30th May, 2018.

b) RESIGNATION:

- Mrs. Sunita Kanungo resigned from the post of Company Secretary & Compliance Officer w.e.f. 2nd May, 2018
- Ms. Hemlata Gupta resigned from the post of Company Secretary & Compliance Officer w.e.f. 31st March, 2019.

9. COMMITTEES OF THE BOARD:

The Board of Directors of your Company has constituted the following committees in terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Composition of the following Committees are also hosted on the website of the Company at <http://www.elandapparel.com/pdf/composition-of-committees.pdf>:

- a) Audit Committee.
- b) Nomination and Remuneration Committee.
- c) Stakeholders' Relationship Committee.
- d) Risk Management Committee.

The details regarding composition and meetings of these committees held during the year under review is stated under Corporate Governance Report which may be taken as forming part of this Report.

Further, the Board of Directors of the Company by passing circular resolution on 30th March, 2019 had constituted Inquiry committee under SEBI (Prohibition of Insider Trading) Regulations, 2015.

Also, Board of Directors of the Company had constituted Internal Complaint Committee for Prevention and Prohibition of Sexual Harassment of Women at Workplace in terms of provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

10. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, an Extract of the Annual Return in Form MGT – 9 is hereto attached and marked as **Annexure - II** for the Financial Year ended 31st March 2019.

The extract of Annual Return shall also be placed on the website of the Company at: <http://www.elandapparel.com>

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:



The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed hereto and marked as **Annexure – III** and forms part of this Report.

12. CORPORATE GOVERNANCE REPORT:

The Corporate Governance Report pursuant to Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and marked as **Annexure – IV** and forms part of this Report.

13. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report on the operations of the Company as required pursuant to Part B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and marked as **Annexure – V** and forms part of this Report.

14. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The Company has an employee drawing remuneration above the limits mentioned in Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, the details of the same is annexed hereto and marked as **Annexure – VI** and forms part of this Report.

15. AUDITORS AND REPORTS:

a) STATUTORY AUDITORS OF THE COMPANY:

At the 19th Annual General Meeting (AGM) held on 30th September, 2016, Deloitte Haskins & Sells LLP, Chartered Accountants Mumbai having Firm Registration No.117366W/W-100018 have been appointed Statutory Auditors of the Company for a period of 5 years from the conclusion of 19th AGM until the conclusion of the 24th Annual General Meeting to be held for the financial year 2021.

However, the said firm had tendered its resignation from the office of Statutory Auditor on 4th September, 2018 due to pre occupation.

At the 21st Annual General Meeting held on 29th September, 2018, the Members approved appointment of M/s. Hinesh R Doshi & Co LLP, Chartered Accountants (Firm registration No: 117366W/W-100018) pursuant to the provisions of Section 139 of the Companies Act, 2013, due to casual vacancy occurs on the resignation of Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No.117366W/W-100018) to hold office from the conclusion of the 21st Annual General Meeting until the conclusion of the 26th Annual General Meeting to be held for the financial year 2023 and they continue to be the Statutory Auditor of the Company.

Further, there no observations / qualifications / disclaimers made by the M/s. Hinesh R Doshi & Co LLP, Chartered Accountants (Firm registration No: 117366W/W-100018) in their report for the Financial Year ended 31st March 2019.

Further, the report of the Statutory Auditors along with notes to Schedules is enclosed to this report.

b) SECRETARIAL AUDITORS OF THE COMPANY:

Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 inter-alia requires every listed company to annex with its Board's report, a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed form. The Board appointed M/s. DSM and Associates, Practicing Company Secretary in Practice (M No. 26141 CP No. 9394), Mumbai, as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2018 - 19



E-Land Apparel Limited

and their report is annexed hereto and marked as **Annexure - VII**. Observation made by Secretarial Auditor as per said report along with explanation made by Board of Directors is given below:

<u>Sr. No</u>	<u>Particulars of observation</u>	<u>Explanation by Board</u>
1.	As per SEBI (LODR) Regulations 2015, it is mandatory to mention conclusion time of meeting in the outcome filed with the stock exchanges but the company has fail to comply the same in meeting held on 12 th November, 2018 and 13 th February, 2019.	The said omission is an inadvertent error and the conclusion time shall be captured in all outcomes henceforth
2.	As per Regulation 20(2) SEBI (LODR) Regulation, 2015 Stakeholders Relationship Committee shall have minimum three members, but during the year there were only two members in the Committee. Later on Mrs. Elizabeth Ravi was nominated as the third member of the Committee in the meeting held on 13 th February, 2019	The Company was in the search of member during the period as the said committee requires highest level of expertise with respect to terms of reference the said committee discharge. In search of suitable candidate and keeping in mind the intelligence require performing role in this committee, the Company approached Mrs. Elizabeth Ravi who has consented to become member of such committee. Hence, the Company has in material done all compliances in bona fide manner.
3.	During the year under review the Company has filed Form ADT-1 to fill the casual vacancy of the statutory auditor but later on the company has filed revised ADT-1 as previous form filed by the Company has inadvertently selected "No" for casual vacancy caused by the auditor	The Company has already rectified by filing revised ADT 1 within stipulated time and with clarification. Further, the Company assures that the said inadvertent mistake shall be taken care henceforth.
4.	During the period under the review the Company has misstated in Board Report that the amount of Rs.763/- pending in unclaimed dividend account which is already been submitted to Investor Education Protection Fund (IEPF) in previous Financial Year	Inadvertently the Company has given wrong statement in last year's Board Report.

Regulation 24 (A) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 inter-alia requires every listed company to annex with its Board's report, a Secretarial Annual Compliance Report given by a Company Secretary in practice, in the prescribed form. The Board appointed M/s. DSM and Associates, Practicing Company Secretary in Practice (M No. 26141 CP No. 9394), has provided Secretarial Annual Compliance Report and their report is annexed hereto and marked as **Annexure - VIII**.

c) COST AUDITORS OF THE COMPANY:

In terms of Section 148 of the Companies Act, 2013 the Company is not required to appoint Cost Auditor of the Company.

d) INTERNAL AUDIT AND INTERNAL CONTROL SYSTEMS:

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. This ensures that all transactions are authorized, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. Your Company has adequate internal controls for its business processes across departments to ensure efficient operations, compliance with internal policies, applicable laws and regulations, protection of resources and assets and appropriate reporting of financial transactions.



E-Land Apparel Limited

The Company has Internal Audit function which is empowered to examine the adequacy and compliance with policies, plans and statutory requirements. It comprises of experienced professionals who conduct regular audits across the Company's operations. The Company has also appointed a firm of Chartered Accountants as Internal Auditors, who reviews the various functions of the Company thoroughly and report to the Audit Committee. During the year under review, the Risk Management Committee of the Company had reviewed the new requirement of Internal Control over Financial Reporting ("ICOFR") and finalized the detailed analysis of key processes, and these were presented for review by the Statutory Auditors. The control mechanism and the process of testing of controls were discussed with the Statutory Auditors. The Statutory Auditors have submitted their report on the Internal Financial Controls which forms an integral part of this Report

The adequacy of the same has been reported by the Statutory Auditors of your Company in their report as required under the Companies (Auditor's Report) Order, 2003.

The Company has appointed M/s. S.K Patodia & Associates, Chartered Accountants, as Internal Auditor of the Company for the Financial Year 2018-19.

16. REPORTING OF FRAUDS BY STATUTORY AUDITORS UNDER SECTION 143 (12):

During the year under review, the Statutory Auditors have not reported any incident of fraud to the Audit Committee or to the Board of Directors of the Company.

17. RISK MANAGEMENT POLICY:

The Risk Management Policy of the Company including identification therein of elements of risk which in the opinion of the Board may threaten the existence of the Company pursuant to the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the same are mentioned in the Corporate Governance Report. The policy is also available on the Company's website at <http://elandapparel.com/Eland%20-%20Risk%20Management.pdf>

18. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

In accordance with the provisions of Section 177 (9) and (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 22 of SEBI (LODR) Regulations 2015 the Company already has in place "Vigil Mechanism Policy" (Whistle Blower Policy) for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The policy is also available on the Company's website at <http://www.elandapparel.com/Whistle%20Blower%20Policy.pdf>

19. INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

During the Financial Year 2018-19, the Company has not received any complaints on sexual harassment and hence no complaints remain pending as of 31st March, 2019. Further, the Company has complied with provisions relating to constitution of Internal Complain Committee under Sexual Harassment of woman at workplace (prevention, prohibition and Redressal) Act, 2013

20. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS & COURTS:



E-Land Apparel Limited

The Regional Director, Western Region, Mumbai has passed order on 22nd November, 2018 approved the application for shifting of Registered office of the Company **from** Office No. 404, 4th Floor, Western Edge-I, Western Express Highway, Magathane, Borivali (East) Mumbai, Maharashtra – 400066 **to** E-LAND APPAREL LTD #16/2B, Sri Vinayaka Indl Estate, Singasandra, Near Dakshin Honda Showroom, Hosur Road, Bangalore - 560 068. The said activity is further illustrated in Sub-point (b) of Point 26.

21. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013 in relation to the audited financial statements of the company for the year ended 31st March, 2019 the Board of Directors hereby confirms that

- (1) In the preparation of the annual accounts, for the year ended 31st March, 2019, the applicable Accounting Standards have been followed and that there are no material departures;
- (2) Appropriate accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the loss of the Company for the year ended 31st March, 2019;
- (3) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (4) They have prepared the annual financial statements on a "Going Concern" basis.
- (5) Proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (6) Proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

22. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43 (a) (ii) of the Act read with Rule 4 (4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished

23. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54 (1) (d) of the Act read with Rule 8 (13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

24. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62 (1) (b) of the Act read with Rule 12 (9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

25. DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67 (3) of the Act read with Rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

26. OTHER DISCLOSURES



E-Land Apparel Limited

a) VOLUNTARILY DELISTING OF THE COMPANY FROM THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED

The Company was listed on both the Stock exchanges having nationwide terminals viz. Bombay Stock Exchange Limited & National Stock Exchange of India Limited. Further, it was observed that there has been a decrease in the overall trade volume in the shares of the Company in the last one year. Looking at the decrement in trade volumes and the heavy cost being incurred by the Company, the Board of Directors in its meeting held on 24th May, 2019 decided to get its equity shares delisted voluntarily from National Stock Exchange of India Limited.

The Company has complied with the provisions of Securities and Exchange Board of India Act, 1992, the Securities Contract (Regulation) Act, 1956 (including the rules issued thereunder), the Securities and Exchange Board of India (Delisting of Equity Shares), Regulations, 2009 (“SEBI Delisting Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), listing agreement entered with the National Stock Exchange of India Limited (“NSE”), subject to such permissions, sanctions and approvals as may be required from appropriate authorities, to delist equity shares of the Company from National Stock Exchange of India Limited. As on the date of approval of Director’s Report, the NSE has not approved delisting of Equity Shares of the Company.

b) CHANGE IN REGISTERED OFFICE OF COMPANY FROM MUMBAI TO BANGALORE EFFECTIVE FROM 22ND NOVEMBER, 2018:

The Company has shifted its Registered Office from Maharashtra (Mumbai) to Karnataka (Bangaluru) and accordingly had sought an approval of members of the Company through the Special Resolution by way of Postal Ballot circulated to the members of the Company on 20th February, 2017. The members approved the special resolution on 22nd March, 2017 being the last date for receipt of approval and the Company had declared results of Postal Ballot on 24th March, 2017. Further, the Declaration of Result of Postal Ballot is also available on the website of Bombay Stock Exchange: <https://www.bseindia.com/xml-data/corpfilings/CorpAttachment/2017/3/2badf2b2-c397-49b6-a4aa-8ad69c35794b.pdf>

The company had filed an Application in form INC - 23 on 30th May, 2017 to the Office of Regional Director for approval to shift the Registered Office from One State to another, pursuant to Special Resolution passed by the Company. Thereafter the Regional Director vide its order dated 22nd November, 2018 approved the application for shifting of Registered office of the Company **from** Office No. 404, 4th Floor, Western Edge-I, Western Express Highway, Magathane, Borivali (East) Mumbai, Maharashtra - 400066 **to** E-LAND APPAREL LTD #16/2B, Sri Vinayaka Indl Estate, Singasandra, Near Dakshin Honda Showroom, Hosur Road, Bangalore - 560 068.

27. APPRECIATION / ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation and express their gratitude for the contribution made by the employees at all levels but for whose hard work, and support, your Company’s achievements would not have been possible. The Board takes this opportunity to express its gratitude for the valuable assistance and co-operation extended by Government Authorities, Banks, Corporate Debt Restructuring (CDR) Cell, Financial Institutions, Vendors, Customers, Advisors and other business partners.

**For and on Behalf of the Board of Directors
E-Land Apparel Limited**

**Date: 09th August, 2019
Place: Mumbai**

**SD/-
Jae Ho Song
Managing Director
DIN: 07830731**

**SD/-
Chong Tae Baek
Independent Director
DIN : 01566661**