



## SRSV & ASSOCIATES

CHARTERED ACCOUNTANTS

"Anmol Palani", Level-2, C-4, III Floor  
No.88, G.N. Chetty Road, T.Nagar, Chennai 600 017  
Tel : +91-44-2815 0599 Web : [www.srsv.pw](http://www.srsv.pw)

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

**Review Report to  
The Board of Directors  
INDIAN TERRAIN FASHIONS LIMITED**

We have reviewed the accompanying statement of standalone unaudited financial results of **INDIAN TERRAIN FASHIONS LIMITED** for the quarter and half year ended 30<sup>th</sup> September 2019, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with Circular No. CIR/CFD/CMD1/80/2019 dated 19<sup>th</sup> July, 2019.

This statement is the responsibility of the Company's management and has been approved by the Board of Directors, which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

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. 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.





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The standalone financial results of the Company for the quarter ended June 30, 2019 and quarter and six months ended September 30, 2018 were prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 which were reviewed by the predecessor statutory auditors who have issued an unmodified report vide their 'Independent Auditor's review report on review of Interim financial results' dated 13<sup>th</sup> August 2019 and 13<sup>th</sup> November 2018 respectively.

The standalone financial statements of the Company for the year ended March 31, 2019 were prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 which were audited by the predecessor statutory auditors who have issued an unmodified opinion vide their 'Independent Auditor's report' dated 20<sup>th</sup> May 2019.

Attention is drawn to the fact that the statement of cash flows for the corresponding period from April 1, 2018 to September 30, 2018 as reported in these unaudited financial results have been approved by the Board of Directors of the Company but have not been subjected to our review or by the predecessor statutory auditors.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results, prepared in accordance with applicable Indian Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Chennai  
Dated: 11<sup>th</sup> November, 2019

For SRSV & Associates  
Chartered Accountants  
F.R.No.015041S

V. Rajeswaran  
Partner  
Membership No.020881  
UDIN No. 19020881 AAAABQ3578



<b>Indian Terrain Fashions Limited</b>						
Regd Office: No.208, Velachery Tambaram Road, Narayananpuram, Pallikaranai, Chennai - 600 100.						
CIN: L18101TN2009PLC073017 Website:www.indianterrain.com Email:response.itfl@indianterrain.com, Telephone: 044-4227 9100						
Statement of Standalone Unaudited Financial Results for the Quarter and Half Year Ended 30th September 2019						
Rs. In Crs						
Sl. No.	Particulars	Quarter Ended		Half Year Ended		Year Ended
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
		30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	31-Mar-19
1	Revenue from Operations	116.23	83.30	125.85	199.53	208.06
2	Other Income	0.77	0.70	0.49	1.47	1.24
<b>3</b>	<b>Total Revenue (1 + 2)</b>	<b>117.00</b>	<b>84.00</b>	<b>126.34</b>	<b>201.00</b>	<b>209.30</b>
<b>4</b>	<b>Expenses</b>					
	(a) Cost of materials consumed	(0.01)	0.02	0.97	0.01	1.31
	(b) Purchase of finished goods	81.05	47.02	94.22	128.07	120.39
	(c) Change in inventories of finished goods and work-in-progress	(8.07)	2.80	(15.10)	(5.27)	5.56
	(d) Garment Processing Costs	0.25	0.37	0.47	0.62	1.50
	<b>(e) Cost of Goods sold (a+b+c+d)</b>	<b>73.22</b>	<b>50.21</b>	<b>80.56</b>	<b>123.43</b>	<b>128.76</b>
	(f) Employee benefits expenses	5.46	5.17	7.32	10.63	14.62
	(g) Finance Cost	5.19	4.16	1.87	9.35	3.95
	(h) Depreciation	5.47	5.12	1.35	10.59	2.62
	(i) Other Expenses	23.34	13.58	22.64	36.92	40.25
	<b>Total Expenses (e+f+g+h+i)</b>	<b>112.68</b>	<b>78.24</b>	<b>113.74</b>	<b>190.92</b>	<b>190.20</b>
<b>5</b>	<b>Profit from Ordinary activities before exceptional items (3-4)</b>	<b>4.32</b>	<b>5.76</b>	<b>12.60</b>	<b>10.08</b>	<b>19.10</b>
<b>6</b>	<b>Exceptional Items</b>	-	-	-	-	-
<b>7</b>	<b>Profit from Ordinary activities before Tax (5-6)</b>	<b>4.32</b>	<b>5.76</b>	<b>12.60</b>	<b>10.08</b>	<b>19.10</b>
<b>8</b>	<b>Tax Expenses</b>	(0.16)	2.01	4.41	1.85	6.68
<b>9</b>	<b>Net Profit from Ordinary activities after Tax (7-8)</b>	<b>4.48</b>	<b>3.75</b>	<b>8.19</b>	<b>8.23</b>	<b>12.42</b>
<b>10</b>	<b>Other Comprehensive Income (net of tax expenses)</b>					
	Items that will not be reclassified subsequently to profit/loss					
	Remeasurement of Employee Benefit obligation	(0.21)	0.07	(0.20)	(0.14)	(0.02)
<b>11</b>	<b>Total Comprehensive Income after tax ( 9+10)</b>	<b>4.27</b>	<b>3.82</b>	<b>7.99</b>	<b>8.09</b>	<b>12.40</b>
<b>12</b>	<b>Paid-Up Equity Share Capital (Face value of Rs.2/- each)</b>	7.59	7.59	7.59	7.59	7.59
<b>13</b>	<b>Other Equity (Excluding Revaluation Reserve)</b>					222.09
<b>14</b>	<b>Earnings Per Equity Share in Rs. (Not Annualised) (Face value of Rs.2/- each)</b>					
	-- Basic EPS	1.18	0.99	2.16	2.17	3.27
	-- Diluted EPS	1.18	0.99	2.16	2.17	3.27
						6.78



<b>Indian Terrain Fashions Limited</b>			
<b>Statement of Assets and Liabilities (Standalone) as on 30th September 2019</b>			
	<b>Particulars</b>	<b>Rs. In Crs</b>	
		<b>Unaudited</b>	<b>Audited</b>
		<b>30-Sep-19</b>	<b>31-Mar-19</b>
<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>		
	(a) Property, Plant & Equipments	126.02	50.20
	(b) Intangible Assets	2.86	3.27
	(c) Financial Assets		
	(i) Loans	12.88	13.22
	(d) Other non-current assets	2.48	0.99
	<b>Total Non-Current Assets</b>	<b>144.24</b>	<b>67.68</b>
<b>2</b>	<b>Current Assets</b>		
	(a) Inventories	73.69	68.44
	(b) Financial Assets		
	(i) Investments	20.94	30.07
	(ii) Trade Receivables	286.28	240.06
	(iii) Cash and Cash Equivalents	1.37	5.47
	(iv) Bank Balances other than (iii) above	4.46	2.36
	(v) Loans	2.11	2.05
	(c) Other Current Assets	1.14	2.14
	<b>Total Current Assets</b>	<b>389.99</b>	<b>350.59</b>
	<b>Total Assets</b>	<b>534.23</b>	<b>418.27</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>		
	(a) Share Capital	7.59	7.59
	(b) Other Equity	226.93	222.09
	<b>Total Equity</b>	<b>234.52</b>	<b>229.68</b>
<b>2</b>	<b>Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	1.90	1.58
	(ii) Lease Liability	67.12	-
	(iii) Deposits	18.68	16.91
	(b) Deferred Tax Liability	1.79	3.96
	(c) Other Non Current Liabilities	-	0.76
	<b>Total Non-Current Liabilities</b>	<b>89.49</b>	<b>23.21</b>
<b>3</b>	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	28.79	31.17
	(ii) Lease Liability	11.34	-
	(iii) Trade Payables		
	(a) Total outstanding dues to micro and small enterprises	12.10	13.90
	(b) Total outstanding dues other than micro and small enterprises	100.80	73.39
	(iv) Other Financial Liabilities	39.49	29.53
	(b) Customer Loyalty Program	1.28	1.27
	(c) Other Current Liabilities	9.78	9.93
	(d) Other Payables	4.72	4.54
	(e) Short Term Provision	1.92	1.65
	<b>Total Current Liabilities</b>	<b>210.22</b>	<b>165.38</b>
	<b>Total Equity and Liabilities</b>	<b>534.23</b>	<b>418.27</b>



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**Indian Terrain Fashions Limited**  
**Standalone Cash Flow Statement**

	<b>Rs. In Crs</b>	
	<b>Half Year Ended 30-Sep-19 (Unaudited)</b>	<b>Half Year Ended 30-Sep-18 (Unaudited)</b>
<b>Cash flow from operating activities</b>		
<b>Profit before income tax</b>	<b>10.08</b>	<b>19.10</b>
Adjustments for		
Depreciation and amortisation expense	10.59	2.62
Deferred Revenue	0.01	
Interest on fair valuation of security deposits	-	
Income from sale of investments	(0.88)	(0.98)
Interest income	(0.61)	(0.26)
Finance costs	9.35	3.95
Gain on termination of lease	(0.07)	-
<b>Change in operating assets and liabilities</b>		
(Increase)/Decrease in trade receivables	(46.23)	(31.44)
(Increase)/Decrease in inventories	(5.27)	6.88
Increase in trade payables	25.61	4.16
Increase/(decrease) in other financial liabilities	10.96	(1.06)
Increase in other payables and provisions	0.31	2.76
(Increase)/Decrease in other financial assets	(3.90)	0.02
(Increase)/decrease in other non-current assets	(1.49)	(0.52)
(Increase)/decrease in other current assets	0.96	1.29
<b>Cash generated from operations</b>	<b>9.42</b>	<b>6.52</b>
Income taxes paid	2.00	0.35
<b>Net cash inflow from operating activities</b>	<b>7.42</b>	<b>6.17</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment (net)	(4.15)	(5.44)
(Purchase) / Sale of Investments	10.00	0.98
Interest received	0.61	0.26
<b>Net cash outflow from investing activities</b>	<b>6.46</b>	<b>(4.20)</b>
<b>Cash flows from financing activities</b>		
Share Capital	-	-
Share Premium	-	-
Repayment of lease liabilities	(4.48)	-
Short Term Borrowings (net)	(2.37)	(34.55)
Long Term Borrowings (net)	0.30	0.15
Finance cost paid	(9.35)	(3.95)
<b>Net cash inflow (outflow) from financing activities</b>	<b>(15.90)</b>	<b>(38.35)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(2.02)</b>	<b>(36.38)</b>
Cash and cash equivalents at the beginning of the period	7.83	51.63
<b>Cash and cash equivalents at end of the period</b>	<b>5.82</b>	<b>15.25</b>



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## Notes

- 1      The above unaudited results for the quarter and half year ended 30th September 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 11th November 2019  
These results have been subjected to limited review by the statutory auditors of the Company.
- 2      These unaudited financial results have been prepared in accordance with the recognition and measurement principals laid down under Indian Accounting Standard (Ind AS) - 34  
"Interim Financial Reporting" as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
- 3      The Company operates exclusively in the segment of apparel and accessories. Consequently there is no requirement of disclosure in the context of Indian Accounting Standards - 108 (Ind AS 108)  
"Operating Segments".
- 4      The Company has adopted Ind AS 116, Leases, effective annual reporting period commencing from 1st April, 2019.  
The Company has recognised Right to use assets of Rs.63.62 Crs and Lease liability of Rs.66.17 Crs. Lease liability has been recognised applying present value on the balance lease period, using incremental borrowing rate as on 1st April 2019. Right use of asset has been recognised at its carrying value as if standard has been applied since the commencement of the lease, discounted using incremental borrowing rate as on 1st April 2019. Accordingly the charge has been made to the retained earnings as on 1st April 2019 for Rs. 3.25 Crs. (net of taxes)

Since the company has adopted Modified retrospective approach, comparative periods are not restated and hence figures are not comparable.

The impact of IND AS 116 on the results for the quarter and Half year ended 30th September 2019 is tabled below.

Particulars	Quarter Ended		Change Due to		(Rs. In Crs)
	30th September 2019 (erstwhile basis)	30th September 2019 as per Ind AS 116	Ind AS 116 Increase/(decrease)	30th September 2019 (erstwhile basis)	
Other expenses	28.25	23.34	(4.91)	46.33	36.92 (9.41)
<b>EBIDTA</b>	<b>9.31</b>	<b>14.22</b>	<b>4.91</b>	<b>19.15</b>	<b>28.56</b> <b>9.41</b>
Depreciation	1.59	5.47	3.87	3.10	10.59 7.48
Finance Cost	3.04	5.19	2.15	5.20	9.35 4.15
<b>Profit before tax</b>	<b>5.44</b>	<b>4.32</b>	<b>(1.11)</b>	<b>12.31</b>	<b>10.08</b> <b>(2.22)</b>

By Order of the Board  
for Indian Terrain Fashions Limited  
Charath Ram Narsimhan  
Managing Director and CEO  
DIN No.06497859



Date: 11th November 2019  
Place: Chennai