



mudra lifestyle ltd.

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04th February, 2013

**The General Manager,
Department of Corporate Services
The Bombay Stock Exchange 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
Scrip Code: MUDRA**

Dear Sirs,

Sub: Outcome of Board Meeting – Clause 41 of the Listing Agreement

This is to inform you that the Board of Directors at its meeting held on Monday, 4th February, 2013 has approved the Unaudited Quarterly Financial Results of the Company for the Quarter ended December 31st 2012 along with Limited review report of the Statutory Auditors. Copy of the said Unaudited Financial Results and Limited Review Report is enclosed.

Further, the Board of Directors has Mr. Ashitosh Sheth as the Company Secretary and Compliance Officer of the Company w.e.f. from 04th February, 2013 in compliance with Clause 30(b) of the Listing Agreement.

The Board has also approved the Notice calling 15th Annual General Meeting of the Company to be held on Friday, 22nd March , 2013 and the Register of Members and Share Transfer Books of the Company will remain closed from Monday, 18th March, 2013 to Friday, 22nd March , 2013 (both days inclusive).

This is for your information and record.

Thanking You,

Yours faithfully,

For Mudra Lifestyle Limited

Director

MUDRA LIFESTYLE LIMITED

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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31/12/2012

Sr. No.	Particulars	Quarter Ended			(Rs. in Lacs)
		31.12.2012 (Unaudited)	30.09.2012 (Audited)	31.12.2011 (Unaudited)	For the Period Ended 30.09.2012 (Audited)
1	Income from operations				
	a) Net sales/income from operations(Net of excise duty)	5,360.50	4,340.47	3,295.89	29,987.33
	b) Other Operating Income	166.35	202.23	85.12	905.06
	Total income from operations (net)	5,526.85	4,542.70	3,381.01	30,892.39
2	Expenses				
	a) Cost of materials consumed	4,073.40	3,346.99	1,658.98	23,321.46
	b) Manufacturing expenses	3,051.16	2,760.36	2,295.82	14,812.99
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,579.54)	(1,726.56)	(768.82)	8,642.76
	d) Employee benefit expenses	237.11	435.88	161.61	1,454.21
	e) Depreciation and amortisation expenses	636.94	629.80	625.59	4,115.26
	f) Administrative & other expenses	388.30	470.99	1,029.94	3,369.37
	Total expenses	6,807.38	5,917.46	5,003.12	55,716.06
	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(1,280.53)	(1,374.76)	(1,622.10)	(24,823.67)
3	a) Other Income	27.17	36.42	(28.57)	471.84
4	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(1,253.36)	(1,338.34)	(1,650.67)	(24,351.83)
5	Finance costs	567.35	283.58	1,361.84	6,942.03
6	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 + 6)	(1,820.71)	(1,621.92)	(3,012.51)	(31,293.87)
7	Exceptional items	1,071.77	(633.49)	(3,914.49)	(2,563.21)
8	Profit / (Loss) from ordinary activities before tax (7 + 8)	(2,892.48)	(988.43)	(6,927.00)	(33,857.08)
9	Tax Expenses	289.47	7,776.26	117.29	(1,313.71)
10	Net Profit / (Loss) from ordinary activities after tax (9 - 10) and before prior period items	(3,181.95)	(8,764.69)	(7,044.29)	(32,543.37)
11	Prior Period Items	-	(967.83)	-	219.05
12	Net Profit / (Loss) for the period (11 - 12)	(3,181.95)	(7,796.86)	(7,044.29)	(32,762.42)
13	Paid-up Equity Share Capital (Nominal value - Rs. 10 Each)	4,799.05	4,799.05	4,799.05	4,799.05
14	Reserves excluding Revaluation Reserves				
15	Earning Per Share (Rs.)				
16	Wt. Average				
	Basic & Diluted EPS before extra ordinary items for the period	(6.63)	(18.26)	(14.68)	(67.81)
	Basic & Diluted EPS after extra ordinary items for the period	(6.63)	(16.25)	(14.68)	(68.27)
17	Total of Non Promoter Shareholding:				
	Number of Shares	6,818,074	6,780,786	6,780,786	6,780,786
	Percentage of Shareholding	14.21	14.13	14.13	14.13
18	Promoters and Promoter Group Shareholding				
	a) Pledged / Encumbered				
	- Number of shares	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil
	b) Non-encumbered				
	- Number of shares	41,172,395	41,209,683	41,209,683	41,209,683
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	85.79%	85.87%	85.87%	85.87%

NOTES

1. The above financial results as reviewed by the audit committee were approved and taken on record by the Board of Directors in their meeting held on February 4, 2013.
2. Search and seizure operations were carried out by the Income tax authorities on 12 August 2009 at the premises of Mudra Lifestyle Limited. Pursuant to the same, the tax officer re-opened the assessment for tax year 2003-04 to 2009-10 and determined the tax demand of Rs 21.40 crores.
Aggrieved by the same, MLL had filed an appeal with the CIT(A) against the above assessment orders. The appeal is pending for disposal before the CIT(A). Further, MLL had filed a rectification application and pursuant to the same, the tax officer rectified the mistakes in the assessment order and issued a revised tax demand of Rs 11.20 crores. Further, MLL has deposited tax demand of Rs 5.6 Crores with income tax authorities under protest. The tax officer has agreed to keep the balance tax demand of Rs 5.6 crores in abeyance till December 2012 or disposal of appeal whichever is earlier.
Further, penalty proceedings u/s 271(1)(c) of the Income Tax Act, 1961 ('Act') have been initiated for tax year 2003-04 to 2009-10. However, the same has been kept in abeyance until disposal of appeal before the CIT(A).
Further, the tax officer had levied penalty of Rs 2.89 crores u/s 271AAA of the Act for tax year 2009-10. However, MLL has filed an appeal before the CIT(A) against the said penalty order and is pending for disposal before the CIT(A).
3. During the period ended 30th September, 2012, the company had appointed four foreign nationals as Whole Time/Managing Director. The company has not filed the requisite applications with Central Government in terms of the provisions of Section 269 read with Schedule XIII of the Companies Act, 1956 ('the Act'), to seek approval for the same. The Company has obtained NOC from most of the bankers which was prerequisite for filing application. Company is in the process of filing of application for Central Government approval in relation to appointment and remuneration along with the condonation of delay for Managing Director & 3 Whole Time Director and same shall be complied with.
4. During the period the Company has recognised 'Focus Product Receivable' amounting Rs 7.55 Lakhs and the 'Focus Product Receivable' outstanding as on 31st December, 2012 is Rs. 197.89 Lakhs. The Management believe, on the basis of internal assessment, that same is recoverable notwithstanding that Auditors have opined contrary.
5. During the previous financial year, the company's loan liabilities was reinstated in the Financial statements based on the bank statements pursuant to Master Restructuring Agreement ('MRA') executed with the interest reversed by the all the banks as stated in MRA read along with CDR since the Company is under process to complete the procedural requirement of CDR Implementation, simultaneously the Company is following up with banks for reconciliation of interest reversals. In absence of the reconciliation, the Auditors were unable to ascertain as to whether the amount of Profit/Loss of the period and relevant liabilities have been under or overstated.
6. As per AS-17 issued by ICAI, the company has only one reportable segment i.e. textiles.
7. Previous Year/Period figures have been regrouped and rearranged, wherever necessary.
8. The Status of Investor complaints for the quarter ended on 31.12.2012 are: Opening: NIL , Received: 1, Resolved: 1, Pending: NIL

Place: Mumbai

Date: 4th February, 2013



For Mudra Lifestyle Limited

Yangweon Yoo
Managing Director