



**27th ANNUAL REPORT
2018 - 2019**

EURO LEDER FASHION LIMITED

EURO LEDER FASHION LIMITED

NOTICE TO MEMBERS

Notice is hereby given that the TWENTY SEVENTH ANNUAL GENERAL MEETING of the members of M/s. EURO-LEDER FASHION LIMITED (CIN: L18209TN1992PLC022134) will be held on Thursday, the 26th day of September, 2019, at 10.00 A.M., at Mahalaya Residency, No.114, GST Road, (Opp. Areva) Pallavaram, Chennai - 600 043, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended March 31, 2019 together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. RM Lakshmanan (DIN: 00039603) Whole-Time Director, who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. Appointment of Mr.Avinash Ananthanarayanan (DIN:03561836) as an Independent Director and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr.Avinash Ananthanarayanan (DIN:03561836), who was appointed by the Board of Directors as Additional Director of the Company with effect from 17th September, 2018 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company not liable to retire by rotation”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, the appointment of Mr.Avinash Ananthanarayanan (DIN:03561836), who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of Three (03) years commencing September 17, 2019 to September 16, 2022, be and is hereby approved.”

RESOLVED FURTHER THAT Board of Directors /whole time Director of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution

4. Appointment of Ms. Aishwarya Seshadri Nathan (DIN: 08275482) as Non-Executive Director and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

EURO LEDER FASHION LIMITED

“RESOLVED THAT Ms. Aishwarya Seshadri Nathan (DIN: 08275482) who was appointed by the Board of Directors as Additional Director of the Company with effect from 12th November, 2018 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

“RESOLVED FURTHER THAT Board of Directors / Managing Director of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

Place: Chennai

Date: 25th July, 2019

CIN: L18209TN1992PLC022134

Regd office: 99, G.S.T. Road, Pallavaram,
Chennai- 600043, Tamilnadu, India

Website: www.euroleder.com

By Order of the Board Of Directors
For EURO LEDER FASHION LIMITED

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and proxy need not be a member. The proxies should be lodged with the company not later than 48 hours before the time fixed for the commencement of the meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.
3. Revenue stamp should be affixed on the Proxy form. Forms which are not stamped are liable to be considered invalid. It is advisable that the Proxy holder's Signature may also be furnished in the Proxy Form, for identification purpose.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **20th September, 2019 to 26th September, 2019** (both days inclusive).
5. Members are requested to notify immediately any change in their address to the Company specifying the full address in block capitals with pin code of the Post office etc.
6. Details under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking appointment/re-appointment at the Annual General Meeting is provided as Annexure to this notice. The Director has furnished the requisite declaration for his appointment/re-appointment.
7. Members desiring to have any clarification on Accounts are requested to write to the Company at an early date so as to enable the Company to keep the information ready.
8. Members may also note that the Notice of the 27th Annual General Meeting and the Annual Report for the year 2018-19 will also be available on the Company's website **www.euroleder.com** for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-mail communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post, free of cost. For any communication, the shareholders may also send requests to the Registrar and Share Transfer Agent's E-mail ID : investor@cameoindia.com

EURO LEDER FASHION LIMITED

9. At the 25th AGM held on September 21, 2017 the Members approved appointment of M/s. S Ramakrishnan Associates, Chartered Accountants, (Firm Registration No. 006637S) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 30th AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM. The remuneration paid to the Statutory Auditors for the financial year 2018-19 details are mentioned in notes to the financial statements.

10. Members holding Shares in physical form, in their own interest are requested to dematerialize the shares to avail the benefit of electronic holding/trading.

11. Voting through electronic means:

The Company has provided 'remote e-voting' (e-voting from a place other than venue of the AGM) facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 27th Annual General Meeting of the Company.

The facility for voting, either through electronic voting system or through ballot / polling paper shall also be made available at the venue of the 27th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

12. The instructions for shareholders voting electronically are as under:

In compliance with the provisions of section 108 of the Companies Act, 2013, read with rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their votes for all the resolutions detailed in the Notice of the Annual General Meeting scheduled to be held on Thursday, 26th September, 2019 at 10.00 a.m. at Mahalaya Residency, No.114, GST Road, (Opp. Areva) Pallavaram, Chennai - 600 043, Tamilnadu, by electronic means and the business may be transacted through remote e-voting. The Company has engaged the services of CDSL as the authorized agency to provide the remote e-voting facilities.

The voting period begins on Monday, the 23rd day of September 2019 (09.00 a.m. IST) and ends on Wednesday, the 25th day of September, 2019 (05.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Thursday, 19th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

EURO LEDER FASHION LIMITED

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ▪ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. (Sequence number has been provided as Serial Number (SL NO.) in the Address Label ▪ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> ▪ Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant "EURO LEDER FASHION LIMITED" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

EURO LEDER FASHION LIMITED

- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xiii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xiv) **Other instructions:**
- (a) The e-voting period begins on Monday, the 23rd day of September 2019 (09.00 a.m. IST) and ends on Wednesday, the 25th day of September, 2019 (05.00 p.m. IST). During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 19th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (b) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 9th September, 2019.
 - (c) Shri. S. Ananthanarayan, Practicing Company Secretary (Membership No. FCS 2713), has been appointed as the scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - (d) The Scrutinizer shall after the conclusion of voting at the general meeting, first account the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall counter sign the same and shall declare the results forthwith.
 - (e) The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL and shall be immediately forwarded to the Stock exchange in which the shares of the Company are listed.

EURO LEDER FASHION LIMITED

EXPLANATORY STATEMENT

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to business mentioned under Item Nos.3 to 4 of the accompanying Notice:

Item No.3: Appointment of Mr.Avinash Ananthanarayanan (DIN:03561836) as an Independent Director

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr.Avinash Ananthanarayanan (DIN:03561836) as an Additional Director of the Company and also as Independent Directors, not liable to retire by rotation, for a term of 3 years i.e. from September 17, 2019 to September 16, 2022. Pursuant to the provisions of Section 161(1) of the Act, Mr.Avinash Ananthanarayanan (DIN:03561836) shall hold office up to the date of this Annual General Meeting ("AGM") and is eligible to be appointed as an Independent Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member(s), proposing his candidature for the office of Director

The Company has received declarations from Mr.Avinash Ananthanarayanan (DIN:03561836) to the effect that he meet the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, Mr.Avinash Ananthanarayanan (DIN:03561836) fulfill the conditions specified in the Act, Rules and SEBI Listing Regulations for appointment as Independent Director and he is independent of the management of the Company. Further the current directorships of the above Director and other details are provided in the Annexure to this Notice. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day and will also be kept open at the venue of the AGM till the conclusion of the AGM

Item No.4: Appointment of Ms. Aishwarya Seshadri Nathan (DIN: 08275482) as Director

At the Board Meeting held on 12th November, 2018, Ms. Aishwarya Seshadri Nathan (DIN: 08275482) was appointed as an additional director under the Articles of Association of the Company and pursuant to section 161 and any other applicable provisions of the Companies Act, 2013 , Ms. Aishwarya Seshadri Nathan , Director of the Company shall be liable to retire by rotation. Pursuant to the provisions of Section 161(1) of the Act, Ms. Aishwarya Seshadri Nathan (DIN: 08275482) shall hold office up to the date of this Annual General Meeting ("AGM") and is eligible to be appointed as Director

The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member(s), along with the requisite amount under Section 160 of the Companies Act 2013, proposing her candidature for the office of Directors. She shall be paid sitting fees for attending the Meetings of the Board. She does not hold by herself or for any other person on a beneficial basis, any Shares in the Company. Further the current directorships of the above Director and other details are provided in the Annexure to this Notice.

The terms and conditions of her appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day and will also be kept open at the venue of the AGM till the conclusion of the AGM.

EURO LEDER FASHION LIMITED

Annexure to the Notice

Details of Directors seeking appointment/re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015):

Particulars	Shri.RM. Lakshmanan	Mr.Avinash Ananthanarayanan	Ms. Aishwarya Seshadri Nathan
DIN	00039603	03561836	08275482
Date of First Appointment and Qualification	05.02.1992 B.Com	17.09.2018 Diploma in Leather Technology and Bachelor in Foreign Trade	12.11.2018
Date of Birth	25.12.1966	03/05/1980	06/06/1990
Expertise in specific functional areas	Wide experience in Accounts, Finance Taxation, Corporate Planning	Wide experience in leather design, trading, technology	Wide experience in legal, compliance
Directorships held in other Public/private Companies (excluding foreign Companies and Section 8 companies)	1. Euro Prime Properties Private Limited 2. Leder Trendz Private Limited	1. Apoorva Agrico Pvt Ltd 2. Apoorva Sourcing Specialities Pvt Ltd 3. Indian Village Herbs Pvt Ltd	NIL
Committee / Executive position held in other companies	NIL	NIL	NIL
Number of shares held in the Company	12,73,929	10,017	NIL
Relationship with other Directors	He is not related to any other Directors	He is not related to any other Directors	He is not related to any other Directors

For other details such as the number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the Directors Report and MGT-9 which is a part of this Annual Report

Place: Chennai
Date: 25th July, 2019

By Order of the Board Of Directors
For EURO LEDER FASHION LIMITED

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

CIN: L18209TN1992PLC022134
Regd office: 99, G.S.T. Road, Pallavaram,
Chennai- 600043, Tamilnadu, India
Website: www.euroleder.com

EURO LEDER FASHION LIMITED

DIRECTORS REPORT TO THE MEMBERS

Your Directors have pleasure in presenting to you their 27th Annual Report together with the Audited accounts of the Company for the year ended 31st March, 2019 and the Auditors' Report thereon

1. FINANCIAL RESULTS:

The summarized working results for the year ended 31.03.2019 as compared with the earlier year are as under:

(Rs. in lakhs)

PARTICULARS	2019	2018
Total Income	8105.03	8452.15
Less: Total Expenses	8007.14	8306.93
Profit before Depreciation and Taxation	145.20	145.22
Less: Depreciation	47.31	38.10
Profit before Tax	97.89	107.12
Provision for Tax	56.15	35.86
Profit after Tax	41.74	71.26
Profit brought forward	840.03	768.77
Profit available for appropriation	881.77	840.03
Profit/Loss carried to Balance Sheet	881.77	840.03

2. PERFORMANCE:

The Company has earned a total income of Rs.8105.03 Lakhs during the year 2018-19 and made a profit before tax of Rs.97.89 Lakhs. The total profit after tax for the year 2018-19 is Rs.41.74 Lakhs compared to Rs.71.26 Lakhs in 2017-18.

3. CHANGE IN THE NATURE OF BUSINESS:

Your Company is engaged in the Business of Manufacturing of Leather Garments. There has been no change in the nature of business during the year under review.

4. DIVIDEND:

Your Directors has decided to ploughing back of profits for the year and hence do not recommend any dividend for the year.

5. TRANSFER TO RESERVE

The Board of Directors of your Company has not transferred any amount to the general reserve for the year under review.

6. SHARE CAPITAL:

The Company during the year under review has not issued any Sweat Equity Shares or Shares with Differential Rights or under Employee Stock Option Scheme nor did it Buy Back any shares. The Authorised Capital remained the same as previous year. However, the company during the year had received an amount of Rs.250/- towards the calls in arrears and the Paid Up capital as on 31st March, 2019 is Rs.3,90,80,250/-.

EURO LEDER FASHION LIMITED

7. SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES & PERFORMANCE THEREOF:

Your Company does not have any subsidiary, joint venture or associate company as at March 31, 2019. Hence, the details and performance thereof do not arise

8. DEPOSITS:

The Company has neither accepted nor renewed any deposits during the period under review. Hence, the details relating to deposits covered under the Chapter V is not required to disclose

9. LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not advanced any loans, given guarantees and provided security as provided under Section 186 of the Act, during the year under review. However, the Company has invested Rs.137.18 Lakhs in Canara Rebeco Gold Saving Fund during the year which is within the limits specified under section 186 of the Act.

10. DIRECTORS:

The Board of the Company consists of Four Directors out of which three are Independent Directors and one is Whole Time Director.

11. BOARD MEETINGS:

Six Board Meetings were held during the financial year end on 30th May, 2018, 27th June, 2018, 08th August, 2018, 17th September, 2018, 12th November, 2018 and 12th February 2019. The intervening gap between the Meetings was within the period as prescribed under the Companies Act, 2013. The details of the meetings and directors attendance are as below:-

Name of the Director	Designation & Category	No. of Board Meetings held during the year	No. of Board Meetings attended during the year	Attendance of last AGM
Shri. RM. Lakshmanan	Executive, Whole time Director	6	5	Yes
Shri.S.Jambunath*	Director, Non executive Independent	6	3	Yes
Shri.N.Meenakshisundaram**	Director, Non executive Independent	6	3	No
Shri. Avinash Ananthanarayanan #	Director, Non executive Independent	6	3	No
Smt.Jayamalini	Director, Non executive Independent	6	5	Yes
Ms.Aishwarya S Nathan \$	Director, Non executive Independent	6	1	No

* Shri.S.Jambunath has been retired as Director from the Board upon completion of his term with effect from 18th September, 2018

** Shri. N.Meenakshisundaram has been retired as Director from the Board upon completion of his term with effect from 18th September, 2018

Mr. Avinash Ananthanarayanan has been appointed as an additional Director with effect from 18th September, 2018

\$ Ms.Aishwarya S Nathan has been appointed as an additional Director with effect from 12th November, 2018

EURO LEDER FASHION LIMITED

12. DECLARATION RECEIVED FROM INDEPENDENT DIRECTOR ON ANNUAL BASIS:

As required under Section 149(7) all the Independent Directors of the Company have submitted their annual declaration stating that they meet the criteria of independence as stated Section 149(6) of the Companies Act, 2013.

13. COMMITTEES OF THE BOARD:

A) AUDIT COMMITTEE:

The Audit Committee consists of two (2) Independent Directors. All the members of the Audit Committee have accounting, financial and management expertise. The composition, powers, role and terms of reference of the Committee are constituted as per the Section 177 mentioned under the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015).

The present Audit Committee comprises of the following Directors and the details of the meeting and directors attendance are as follows:-

Name of the Member	Status	Category	Meetings	
			Held	Attended
Shri. N.Meenakshisundaram#	Member	Independent Director	4	2
Shri.S.Jambunath #	Member	Independent Director	4	2
Shri.Avinash Ananthanarayanan \$	Chairman	Independent Director	4	2
Mrs.Jayamalini	Member	Independent Director	4	2

Shri N.Meenakshisundaram and Shri.S.Jambunath has been ceased to be Member from the Committee with effect from 18th September, 2018

\$ Mr. Avinash Ananthanarayanan has been appointed as Chairman of the Audit Committee with effect from 17th September, 2018

B) NOMINATION AND REMUNERATION COMMITTEE:

Term of reference:

The Nomination and Remuneration Committee has been empowered and authorized to exercise powers as entrusted under the provisions of Section 178 of the Companies Act, 2013.

The Board has framed a policy to determine and identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors and Key Managerial Personnel.

The Committee met two times during the year on 31st July, 2018 and 18th September, 2018 to determine and recommend the appointment of Directors and revision in Remuneration payable to the Directors

The Nomination and Remuneration Committee of the Company was reconstituted on 18th September, 2018 due to retirement of Shri. N.Meenakshisundaram and Shri.S.Jambunath from the Board of the Company. Accordingly, Ms.Aishwarya S Nathan Independent Director was appointed as the Member of the Committee.

The present Nomination and Remuneration Committee Comprises of the following Members as on March 31, 2019:

EURO LEDER FASHION LIMITED

Name of the person	Status
Mrs.Jayamalini	Chairman
Ms.Aishwarya S Nathan	Member

C) **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee oversees, inter-alia, redressal of Shareholders and Investor grievances, transfer/ transmission/transposition of shares, Split, consolidation, issue of duplicate shares certificates, recording dematerialization/ rematerialization of shares, non receipt of Annual Reports and related matters.

The committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act.

- Consider and resolve the grievances of security holders.
- Consider and approve issue of share certificates, transfer and transmission of securities, etc

During the year, the Committee met 9 times which was attended by Members of the Committee During the year under review, the Company has not received any grievance / complaint.

The composition and details of the meeting and directors attendance are as follows:-

Name of Directors	Status in the Committee
Shri.RM. Lakshmanan	Chairman
Ms.Aishwarya S Nathan	Member

Shri.S.Jambunath has retired from the board and has been ceased to be the chairman of Stakeholders relationship committee with effect from 18.9.2018

Shri. N.Meenakshisundaram has retired from the board and has been ceased to be the chairman of Stakeholders relationship committee with effect from 18.9.2018

Shri. RM. Lakshmanan has been appointed as a chairman of Stakeholders relationship committee with effect from 18.9.2018

Ms.Aishwarya S Nathan has been appointed as member of Stakeholders relationship committee with effect from 12.02.2019

14. CODE OF CONDUCT:

The Board of Directors has adopted a Code of Ethics and Business Conduct for the Directors and Senior Personnel. The Code is a comprehensive one applicable to all Directors, Executive and Non-Executive, and members of Senior Management .The Code has been circulated to all the members of the Board and senior personnel and they have affirmed compliance of the same.

15. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134 (5) of the Companies Act, 2013 with respect to Directors Responsibility Statement, your Directors confirm that they have :

- 1) followed in the preparation of financial statements , the applicable accounting standards and given proper explanation relating to material departures, if any;
- 2) selected appropriate accounting policies 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 at the end of the financial year and of the profit and Loss Account of the Company for that period.

EURO LEDER FASHION LIMITED

- 3) taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act so as to safeguard the assets of the company and to prevent and detect fraud and other irregularities;
- 4) prepared the annual accounts on going concern basis.
- 5) laid down proper internal financial controls in the Company that are adequate and were operating effectively; and .
- 6) devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. AUDITORS:

M/s. S Ramakrishnan Associates., Chartered Accountants, (Firm Registration No. 006637S) were appointed as Statutory Auditors of the Company at the 25th Annual General Meeting held on 21st September, 2017 to hold office for a term of five years till the conclusion of 30th Annual General

The Board was authorized to fix such remuneration as may be recommended by the Audit Committee in consultation with the Auditors. The existing Statutory Auditors viz., M/s. S Ramakrishnan Associates, Chartered Accountants will continue to be the Statutory Auditors of the Company till the conclusion of 30th Annual General Meeting of the Company.

Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM and the remuneration paid for the financial year 2018-19 is as per notes to the financial statement.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/explanation. The Notes on financial statements are self-explanatory, and needs no further explanation. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

17. COST AUDIT:

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost records and Audits) Rules, 2014, as amended from time to time the business activities of the company do not fall under the scope of mandatory cost audit.

18. SECRETARIAL AUDIT:

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the has appointed Shri. S. Ananthanarayan, Practicing Company Secretary as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2019. The Secretarial Audit Report is attached with this report as **Annexure – A**.

Reply to point No. 4 of the Secretarial Auditor's report:

The Company is in the process of identifying a suitable candidate for appointment as Company Secretary.

19. EXTRACTS OF THE ANNUAL RETURN:

As per the requirements of Section 134 (3)(a) read with Section 92(3) of the Act and Rules framed thereunder, the extract of the annual return for FY 2018-19 is given in **Annexure-B** in the prescribed Form No.MGT-9, which is a part of this report.

EURO LEDER FASHION LIMITED

20. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

There are no significant and material orders were passed by the regulators or courts or tribunals against the Company, impacting the going concern status and Company's operation in future.

21. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments have occurred, affecting the financial position of the Company between the end of the financial year of the Company to which the financial statements relate and the date of the report.

22. PARTICULARS OF EMPLOYEES:

None of the employees draws remuneration of Rs. 8,50,000/- or above per month and Rs.1,02,00,000/- or above per year. Hence, details of the employees of the Company as required pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not furnished.

Having regard to the provisions of Section 136(1) read with its relevant proviso of the Companies Act, 2013, the disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, forming part of the Annual Report, is available for inspection at the registered office of the company during working hours. Any member interested in obtaining such information may write to the Company and the same will be furnished without any fee and free of cost.

23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN 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(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as Annexure – C.

24. RELATED PARTY TRANSACTIONS:

All the transactions with the related parties were entered into by the Company during the period under review were in the ordinary course of business and at arm's length basis. The details of related party transactions pursuant to clause (h) of sub-section 134 of the Act, is enclosed in Form AOC-2 as Annexure – D.

25. MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report, emphasizing the business details, is attached and forms part of the report as Annexure - E.

26. CORPORATE GOVERNANCE:

Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, does not apply to your Company, as your Company's equity share Capital and net worth is below the threshold limit prescribed under the said Regulation. Hence, the Report on Corporate Governance is not provided.

27. LISTING WITH STOCK EXCHANGE:

The company confirms that it has paid the Annual Listing Fees for the year 2019-20 to the BSE Limited where the company's shares are listed.

28. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provisions of Section 135 of the Companies Act 2013 pertaining to Corporate Social Responsibility are not applicable to the Company.

29. VIGIL MECHANISM:

In Compliance of Section 177 of Companies Act, 2013, the Company has set up a Whistle Blower policy. In terms of the said policy the Directors and employees are given direct access to the Chairman of the Audit Committee to report genuine concerns or grievances. Adequate safeguards are in place against victimization of employees who availed the mechanism.

30. RISK MANAGEMENT POLICY AND INTERNAL FINANCIAL CONTROL:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company and also steps are taken to strengthen the Risk Management process in line with the changes in the external environment and business needs.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. In addition to the Internal Control Systems, the Board has laid emphasis on adequate Internal Financial Controls to ensure that the financial affairs of the Company are carried out with due diligence. These are reviewed by the Internal Auditors of the Company at regular intervals. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

31. ANNUAL EVALUATION :

Pursuant to Section 134 of Companies Act, 2013 and in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors has carried out an annual performance evaluation of the Board, it's Committees and Directors individually and is carried out as per the criteria laid down by the Nomination and Remuneration Committee.

Accordingly, as per Schedule V of Companies Act, 2013, the Independent Directors of the Company at their separate meeting evaluated the performance of non independent directors and the Board as a whole. They also evaluated the performance of Chairman of the Company and flow of information from the Management to the Board.

32. SECRETARIAL STANDARDS:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

33. GREEN INITIATIVE:

During the year 2018-19, we continued the sustainability initiative with the aim of going green and minimizing our impact on the environment. Like the previous year, this year too, we are publishing only the statutory disclosures in the print version of the Annual Report. Additional information is available on our website, www.euroleder.com

EURO LEDER FASHION LIMITED

Electronic copies of the Annual Report 2018-19 and Notice of the 27th AGM are sent to all members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2018-19 and the Notice of the 26th Annual General Meeting are sent in the permitted mode. Members requiring physical copies can send a request to the Company. The Company is providing remote E-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for remote E-voting are provided in the Notice.

34. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL), ACT, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013. During the year under review no complaint has been received.

35. ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their thanks to the Shareholders, Customers, Suppliers, Banks and Government for their valuable assistance and support.

Your Directors wish to place on record their appreciation of the sincere efforts put in by the employees of the Company at all levels.

For and on Behalf of the Board of Directors
EURO LEDER FASHION LIMITED

Place: Chennai
Date: 25.07.2019

RM. Lakshmanan
Whole Time Director
DIN: 00039603)

Smt. Jayamalini
Director
(DIN: 08275482)

EURO LEDER FASHION LIMITED

ANNEXURE - A

Secretarial Audit Report
(For the Year ended 31 March, 2019)

Form No. MR-3

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Euro-Leder Fashion Limited,
CIN: L18209TN1992PLC022134
99, G. S. T. Road,
Pallavaram,
Chennai 600 043

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Euro-Leder Fashion Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. Members are requested to read this report along with my letter of even date annexed to this report as Annexure- 1.

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Euro-Leder Fashion Limited** ("The Company") for the year ended March 31, 2019 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR)
 - vi. The Memorandum and Articles of Association.

During the year ended under review the Company has complied with provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.
Other Laws applicable to the Company

EURO LEDER FASHION LIMITED

Industrial Disputes Act, 1947
The Payment of Wages Act, 1936
The Minimum Wages Act, 1948
The payment of Gratuity Act, 1972
The Contract Labour (Regulation and Abolition) Act, 1970
The Income Tax Act, 1961
Shops and Establishments Act, 1948
The Customs Act, 1962
The Finance Act

I have also examined compliance with the applicable clauses of the following;

- i) The Secretarial Standards issue by the institute of Company Secretaries of India
- ii) The Listing Agreement entered in to by the Company with BSE Ltd

2. I have been informed that for the financial year ended March 31, 2019
 - i. the Company was not required to maintain books, papers, minute books, forms and returns according to the provisions of following Regulations and Guidelines under SEBI Act:
 - (a) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Option Purchase Scheme) Guidelines, 1999;
 - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
 - (e) The Maternity Benefit Act, 1961
 - (f) Competition Act, 2002
 - (g) Legal Metrology Act, 2009.
 - ii. there are no laws specifically applicable to the Company, the books, papers, minute books, forms and returns of which were required to be examined by me for the purpose of the audit.
3. I have examined compliance with the Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
4. During the period under review, to the best of my knowledge and belief and according to the information and explanations given to me, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned in paragraph 1 above to the extent applicable except the following:

The company has not appointed a Company Secretary

5. I further report that
 - The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - Majority decision is carried through while the dissenting members views are captured and recorded as part of the minutes.
 - The Company has obtained all necessary approvals under the various provisions of the Act; and

EURO LEDER FASHION LIMITED

- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
 - The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
6. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
7. I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Chennai

**S. ANANTHANARAYAN
PRACTICING COMPANY SECRETARY
FCS 2713, CP 1828**

Date: May 23, 2019

Annexure- 1 to the Secretarial Audit Report of even date

To

The Members,
Euro-Leder Fashion Limited,
CIN: L18209TN1992PLC022134
99, G. S. T. Road,
Pallavaram,
Chennai 600 043

My Secretarial Audit Report of even date is to be read along with this letter

1. Maintenance of secretarial records is the responsibility of the management of the company: My responsibility is to make a report based on the secretarial records produced to me for my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices I followed provide a reasonable basis of my report.
3. I have not verified the correctness and appropriateness of financial records and books of account of the Company.
4. I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
5. Compliance with the provisions of the Corporate and other applicable laws, rules and regulations is the responsibility of the management: My examination was limited to the verification of procedure on test basis. Actions carried out by the Company based on independent legal/professional opinion obtained have not been considered as non-compliance wherever there was scope for multiple interpretations, The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai

**S. ANANTHANARAYAN
PRACTICING COMPANY SECRETARY
FCS 2713, CP 1828**

Date: May 23, 2019

Annexure - B

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

financial year ended on 31/03/2019

Of

EURO LEDER FASHION LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013
And
Rule 12(1) of the Companies (Mgt. and Administration) Rules, 2014]

EURO LEDER FASHION LIMITED

I. REGISTRATION AND OTHER DETAILS:

(i) CIN:	L18209TN1992PLC022134
(ii) Registration Date	05.02.1992
(iii) Name of the Company	Euro Leder Fashion Limited
(iv) Category / Sub-category of the Company	Company having Share Capital
(v) Address of the Registered office and contact details	99, G.S.T. Road, Pallavaram, Chennai- 600043 Tel: 044-42943204 / 42943203 / 42943202
(vi) Whether listed Company If yes, details of stock exchanges where shares are listed	Yes, BSE Limited
(vii) Name and Address of Registrar & Transfer Agents (RTA)	Cameo Corporate Services Ltd No.1.Club House Road, Chennai, Tamilnadu – 600002. Tel: 044 - 28460390 Email id: cameo@cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.No	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing Of Leather Garments	1410	93%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : NIL

IV. SHARE HOLDING PATTERN (EQUITY)

Category of Shareholders	No. of shares held at the beginning of the year (As on 31-March-2018)				No. of shares held at the end of the year (As on 31-March-2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	1148393	518900	1667293	37.2696	1473193	352100	1825293	40.8014	3.5318
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other (Directors and Their Relatives)	0	0	0	0	0	0	0	0	0
Sub Total (A)(1)	1148393	518900	1667293	37.2696	1473193	352100	1825293	40.8014	3.5318
(2) Foreign									
a) NRI – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies corporate	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Subtotal(A)(2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	1148393	518900	1667293	37.2696	1473193	352100	1825293	40.8014	3.5318

EURO LEDER FASHION LIMITED

IV. SHARE HOLDING PATTERN (EQUITY)

Category of Shareholders	No. of shares held at the beginning of the year (As on 31-March-2018)				No. of shares held at the end of the year (As on 31-March-2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	17700	17700	0.3956	0	17700	17700	0.3956	0.0000
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (individual)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	17700	17700	0.3956	0	17700	17700	0.3956	0.0000
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	49804	0	49804	1.1132	16917	0	16917	0.3781	-0.7351
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	587007	1409396	1996403	44.6263	636642	1360496	1997138	44.6427	0.0164
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	351562	278200	629762	14.0772	372475	129500	501975	11.2208	-2.8564
c) Others (specify)									
Clearing Member	0	0	0	0	0	0	0	0	0
Hindu Undivided Families	48405	0	48405	1.0820	49944	0	49944	1.1164	0.0344
Non Resident Indians	27233	36400	63633	1.4224	27733	36400	64133	1.4335	0.0111
Any Others	0	600	600	0.0134	0	500	500	0.0111	-0.0022
Total	75638	37000	112638	2.5178	77677	36900	114577	2.5611	0.0433
Sub-total (B)(2):-	1064011	1724596	2788607	62.3347	1103711	1526896	2630607	58.8029	-3.5318
Total Public Shareholding (B)=(B)(1)+(B)(2)	1064011	1742296	2806307	62.7303	1103711	1544596	2648307	59.1985	-3.5318
TOTAL (A)+(B)	2212404	2261196	4473600	100.0000	2576904	1896696	4473600	100.0000	0.0000
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2212404	2261196	4473600	100.0000	2576904	1896696	4473600	100.0000	0.0000

EURO LEDER FASHION LIMITED

B) Shareholding of Promoter-

S.No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Narayan S	200	0.0044	0.0000	200	0.0044	0.0000	0.0000
2.	Ramanathan AR							
	C/o Euro Investments	100	0.0022	0.0000	100	0.0022	0.0000	0.0000
3.	AR Ramanathan	15941	0.3563	0.0000	15941	0.3563	0.0000	0.0000
3	AR Ramanathan	0	0.0000	0.0000	11200	0.2503	0.0000	0.2503
4.	Lakshmanan RM	10,80,495	24.1525	0	1273929	28.4764	0	4.3238
5.	Meenal N	123100	2.7515	0.0000	0	0.0000	0.0000	-2.7515
6.	Meenal L	1,59,657	3.5688	0	58457	1.3067	0.0000	-2.2621
7.	Arun RM	1,36,400	3.0488	0	136400	3.05	0	0
8.	Meenal RM	107900	2.4118	0	107900	2.4118	0	0
9.	Rakkaye Annamalai	5,000	0.11	0	5,000	0.11	0	0
10.	Lakshmanan							
	RM Ramanathan AR	38500	0.8606	0.0000	0	0.0000	0.0000	-0.8606
11.	RAMANATHAN L	0	0	0	92400	2.0654	0.0000	2.0654
12.	RAMANATHAN L	0	0	0	33733	0.7540	0.0000	0.7540
13.	L SHWETHA	0	0	0	90033	2.0125	0.0000	2.0125
	Total	16,67,293	37.27	0	1825293	40.8006	0	3.5319

C) Change in Promoters' Shareholding:

S.No		Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	LAKSHMANAN RM				
	At the beginning of the year 01-Apr-2018	1069595	23.9090	1069595	23.9090
	At the end of the Year 30-Mar-2019	1069595	23.9090	1069595	23.9090
1	LAKSHMANAN RM				
	At the beginning of the year 01-Apr-2018	8700	0.1944	8700	0.1944
	At the end of the Year 30-Mar-2019	8700	0.1944	8700	0.1944
1	RM LAKSHMANAN				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 21-Dec-2018	159700	3.5698	159700	3.5698
	At the end of the Year 30-Mar-2019	159700	3.5698	159700	3.5698
2	MEENAL N				
	At the beginning of the year 01-Apr-2018	101200	2.2621	101200	2.2621
	Sale 21-Dec-2018	-101200	2.2621	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
2	MEENAL NARAYAN				
	At the beginning of the year 01-Apr-2018	20000	0.4470	20000	0.4470
	Sale 21-Dec-2018	-20000	0.4470	0	0.0000
2	MEENAL NARAYAN				
	At the beginning of the year 01-Apr-2018	20000	0.4470	20000	0.4470
	Sale 21-Dec-2018	-20000	0.4470	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000

EURO LEDER FASHION LIMITED

S.No		Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	MEENAL NARAYAN				
	At the beginning of the year 01-Apr-2018	1900	0.0424	1900	0.0424
	Sale 21-Dec-2018	-1900	0.0424	0	0.0000
2	MEENAL L				
	At the beginning of the year 01-Apr-2018	101200	2.2621	101200	2.2621
	Sale 22-Feb-2019	-101200	2.2621	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
3	MEENAL L				
	At the beginning of the year 01-Apr-2018	58457	1.3067	58457	1.3067
	At the end of the Year 30-Mar-2019	58457	1.3067	58457	1.3067
4	MEENAL RM				
	At the beginning of the year 01-Apr-2018	97300	2.1749	97300	2.1749
	Sale 31-Dec-2018	-97300	2.1749	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
4	MEENAL RM				
	At the beginning of the year 01-Apr-2018	10000	0.2235	10000	0.2235
4	MEENAL RM				
	At the beginning of the year 01-Apr-2018	600	0.0134	600	0.0134
	Sale 31-Dec-2018	-600	0.0134	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
4	MEENAL RM				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Demated 31-Dec-2018	97900	2.1883	97900	2.1883
	At the end of the Year 30-Mar-2019	97900	2.1883	97900	2.1883
5	ARUN RM				
	At the beginning of the year 01-Apr-2018	77400	1.7301	77400	1.7301
	Sale 13-Jul-2018	-75600	1.6899	1800	0.0402
	At the end of the Year 30-Mar-2019	1800	0.0402	1800	0.0402
5	ARUN RM				
	At the beginning of the year 01-Apr-2018	37500	0.8382	37500	0.8382
	Sale 28-Dec-2018	-37400	0.8360	100	0.0022
	At the end of the Year 30-Mar-2019	100	0.0022	100	0.0022
5	ARUN RM				
	At the beginning of the year 01-Apr-2018	21500	0.4805	21500	0.4805
	Sale 28-Dec-2018	-21500	0.4805	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
5	ARUN RAMANATHAN				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Demated 13-Jul-2018	75600	1.6899	75600	1.6899
	Purchase 28-Dec-2018	58900	1.3166	134500	3.0065
	At the end of the Year 30-Mar-2019	134500	3.0065	134500	3.0065
6	LAKSHMANAN RMJT1 : RAMANATHAN AR				
	At the beginning of the year 01-Apr-2018	38500	0.8606	38500	0.8606
	Sale 21-Dec-2018	-38500	0.8606	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000

EURO LEDER FASHION LIMITED

S.No		Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	A R RAMANATHAN				
	At the beginning of the year 01-Apr-2018	15341	0.3429	15341	0.3429
	At the end of the Year 30-Mar-2019	15341	0.3429	15341	0.3429
7	RAMANATHAN AR				
	At the beginning of the year 01-Apr-2018	600	0.0134	600	0.0134
	At the end of the Year 30-Mar-2019	600	0.0134	600	0.0134
7	AR RAMANATHAN				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 07-Dec-2018	95100	2.1258	95100	2.1258
	Sale 14-Dec-2018	-92400	2.0654	2700	0.0603
	Purchase 21-Dec-2018	92400	2.0654	95100	2.1258
	Purchase 21-Dec-2018	8500	0.1900	103600	2.3158
	Sale 04-Jan-2019	-92400	2.0654	11200	0.2503
	At the end of the Year 30-Mar-2019	11200	0.2503	11200	0.2503
8	RAKKAYE ANNAMALAI				
	At the beginning of the year 01-Apr-2018	5000	0.1117	5000	0.1117
	At the end of the Year 30-Mar-2019	5000	0.1117	5000	0.1117
9	LAKSHMANAN RM				
	At the beginning of the year 01-Apr-2018	2200	0.0491	2200	0.0491
	Purchase 22-Feb-2019	33734	0.7540	35934	0.8032
	At the end of the Year 30-Mar-2019	35934	0.8032	35934	0.8032
10	NARAYAN S				
	At the beginning of the year 01-Apr-2018	200	0.0044	200	0.0044
	At the end of the Year 30-Mar-2019	200	0.0044	200	0.0044
11	RAMANATHAN AR C/O EURO INVESTMENTS				
	At the beginning of the year 01-Apr-2018	100	0.0022	100	0.0022
	At the end of the Year 30-Mar-2019	100	0.0022	100	0.0022
12	RAMANATHAN L				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 08-Mar-2019	92400	2.0654	92400	2.0654
	At the end of the Year 30-Mar-2019	92400	2.0654	92400	2.0654
12	RAMANATHAN L				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 04-Jan-2019	92400	2.0654	92400	2.0654
	Purchase 22-Feb-2019	33733	0.7540	126133	2.8194
	Sale 08-Mar-2019	-92400	2.0654	33733	0.7540
	At the end of the Year 30-Mar-2019	33733	0.7540	33733	0.7540
13	L SHWETHA				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 24-Aug-2018	56300	1.2584	56300	1.2584
	Purchase 22-Feb-2019	33733	0.7540	90033	2.0125
	At the end of the Year 30-Mar-2019	90033	2.0125	90033	2.0125

EURO LEDER FASHION LIMITED

D) Shareholding Pattern of top ten Shareholders:

S.No		Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SUBRAMANIAN P At the beginning of the year 01-Apr-2018 At the end of the Year 30-Mar-2019	133450 133450	2.9830 2.9830	133450 133450	2.9830 2.9830
2	INDRA CHIDAMBARAM JT1 : MEENAKSHISUNDARM CHIDAMBARAM At the beginning of the year 01-Apr-2018 At the end of the Year 30-Mar-2019	99300 99300	2.2196 2.2196	99300 99300	2.2196 2.2196
3	MEYAPPAN M At the beginning of the year 01-Apr-2018 Sale 07-Dec-2018 Purchase 14-Dec-2018 Sale 21-Dec-2018 At the end of the Year 30-Mar-2019	92400 -92400 92400 -92400 0	2.0654 2.0654 2.0654 2.0654 0.0000	92400 0 92400 0 0	2.0654 0.0000 2.0654 0.0000 0.0000
4	VEENA DEVI N At the beginning of the year 01-Apr-2018 Sale 24-Aug-2018 At the end of the Year 30-Mar-2019	56300 -56300 0	1.2584 1.2584 0.0000	56300 0 0	1.2584 0.0000 0.0000
5	MITA DIPAK SHAH JT1 : DIPAK KANAYALAL SHAH JT2 : SHARAD KANAYALAL SHAH At the beginning of the year 01-Apr-2018 At the end of the Year 30-Mar-2019	37827 37827	0.8455 0.8455	37827 37827	0.8455 0.8455
6	SANJAY SURESH KHEDKAR At the beginning of the year 01-Apr-2018 At the end of the Year 30-Mar-2019	33168 33168	0.7414 0.7414	33168 33168	0.7414 0.7414
7	MANGALA SADAVARTE At the beginning of the year 01-Apr-2018 At the end of the Year 30-Mar-2019 HAVING SAME PAN	27700 27700	0.6191 0.6191	27700 27700	0.6191 0.6191
7	MANGALA SADASHIV SADAVARTE At the beginning of the year 01-Apr-2018 At the end of the Year 30-Mar-2019	5610 5610	0.1254 0.1254	5610 5610	0.1254 0.1254
8	BABULAL JAIN At the beginning of the year 01-Apr-2018 At the end of the Year 30-Mar-2019	19517 19517	0.4362 0.4362	19517 19517	0.4362 0.4362

EURO LEDER FASHION LIMITED

S.No		Shareholding at the beginning		Cumulative Share holding	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	PALANIAPPAN SP				
	At the beginning of the year 01-Apr-2018	18800	0.4202	18800	0.4202
	At the end of the Year 30-Mar-2019	18800	0.4202	18800	0.4202
10	REKHA				
	At the beginning of the year 01-Apr-2018	17228	0.3851	17228	0.3851
	Sale 23-Aug-2018	-1198	0.0267	16030	0.3583
	Sale 31-Aug-2018	-147	0.0032	15883	0.3550
	At the end of the Year 30-Mar-2019 NEW TOP 10 AS ON (30-Mar-2019)	15883	0.3550	15883	0.3550
11	P P ZIBI JOSE				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 10-Aug-2018	773	0.0172	773	0.0172
	Purchase 17-Aug-2018	6000	0.1341	6773	0.1513
	Purchase 23-Aug-2018	3750	0.0838	10523	0.2352
	Purchase 31-Aug-2018	7105	0.1588	17628	0.3940
	Purchase 07-Sep-2018	4530	0.1012	22158	0.4953
	Demated 22-Feb-2019	100	0.0022	22258	0.4975
At the end of the Year 30-Mar-2019	22258	0.4975	22258	0.4975	
12	Y GOKUL				
	At the beginning of the year 01-Apr-2018	17162	0.3836	17162	0.3836
	At the end of the Year 30-Mar-2019	17162	0.3836	17162	0.3836

E) Shareholding of Directors and Key Managerial Personnel:

S.No.	Name of the Director & Key Managerial Personnel	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Lakshmanan RM				
	At the beginning of the year	10,80,495	24.15	10,80,495	24.15
	At the end of the year	12,73,929	28.48	12,73,929	28.48

EURO LEDER FASHION LIMITED

V. INDEBTEDNESS				(in Rs.)
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebteness
Indebtedness at the beginning of the financial year				
i) Principal Amount	157608695	0	0	157608695
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	157608695	0	0	157608695
Change in Indebtedness during the financial year				
* Addition		0	0	
* Reduction		0	0	
Net Change	2,82,40,156	0	0	2,82,40,156
Indebtedness at the end of the financial year				
i) Principal Amount	18,58,48,851	0	0	18,58,48,851
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	18,58,48,851	0	0	18,58,48,851

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

((in Rs.))

S.No.	Particulars of Remuneration	Name of the MD/WTD/Manager RM. Lakshmanan (WTD)	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,00,000	24,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	—	—
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	Commission	—	—
5.	Others, please specify	—	—
	Total (A)	24,00,000	24,00,000
	Ceiling as per the Act	As prescribed under Companies Act, 2013 and rules made there under.	

EURO LEDER FASHION LIMITED

B. Remuneration to other directors:

(in Rs.)

S No.	Particulars of Remuneration	Name of Directors					Total Amount
		N.Meenashi Sundaram	S.Jambunath	A.Avinash	S.Jayamalini	S.Aishwarya	
1	Independent Directors						
	Fee for attending Board Committee Meetings	10,000	10,000	4,000	6,000	2,000	32,000
	Commissions	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please Specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	10,000	10,000	4,000	6,000	2,000	32,000
	Total Managerial Remuneration	10,000	10,000	4,000	6,000	2,000	32,000
	Over Ceiling as per the Act	As prescribed under Companies Act, 2013 and rules made there under					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S No	Particulars of Remuneration	Key Managerial Personnel M Nagendra – Chief Financial Officer	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,30,000	4,30,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,54,000	2,54,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—
2	Stock Option	—	—
3	Sweat Equity	—	—
4	Commission	—	—
5	Others, please specify	—	—
	Total	6,84,000	6,84,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are no penalties/punishment/compounding of offences under any Section of the Companies Act, 2013 against the Company or its Directors or other officers in default, if any, during the year.

**On Behalf of the Board of Directors
EURO LEDER FASHION LIMITED**

Chennai
25.07.2019

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

Smt. Jayamalini
Director
(DIN: 08275482)

EURO LEDER FASHION LIMITED

ANNEXURE - C

STATEMENT CONTAINING PARTICULARS PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF DIRECTORS' REPORT

1. CONSERVATION OF ENERGY

(i) the steps taken or impact on conservation of energy;

Sustainability is an integral part of the Company's business philosophy. The Company has been laying emphasis on the conservation of energy and taking several measures like effective control on utilization of energy and regular monitoring of its consumption etc. The adoption of energy conservation measures has helped the Company in reduction of cost and reduced machine down-time.

(ii) the steps taken by the Company for utilising alternate sources of energy;

During the year the Company has not taken any steps for utilizing alternate sources of energy. However the Company is exploring the opportunities to use alternate sources of energy such as solar power, LED lights, etc.

(iii) the capital investment on energy conservation equipments;

During the year the Company has not made any capital investment on energy conservation equipments.

II. TECHNOLOGY ABSORPTION

Research and Development

Though the Company does not have separate R&D establishment, activities are carried out by the design and quality control departments.

Technology absorption, adaptation and innovation

The manufacturing activity is confined to simple cutting and stitching of leather garments and hence absorption, adaptation and innovation of technology do not arise.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

Initiatives taken to increase exports include development of new export markets for products and services

F O B Value of Exports. : Rs.7094.57 Lakhs

Foreign Travel Expenses : Rs.62.92 Lakhs

On Behalf of the Board of Directors
EURO LEDER FASHION LIMITED

Chennai
25.07.2019

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

Smt. Jayamalini
Director
(DIN: 08275482)

EURO LEDER FASHION LIMITED

ANNEXURE-D

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	Smt. Late L. Meenal, (spouse of Mr. RM.Lakshmanan, wholetime Director
(b)	Nature of contracts/arrangements/transactions	Payment of Rent
(c)	Duration of the contracts / arrangements/transactions	7 months, Rs.10,50,000
(d)	Salient terms of the contracts or arrangements or transactions	Nov'18 to Mar' 19 Rs. Rs.2,50,000 paid to L.Swetha and Rs. 2,50,000 paid to L Ramanathan as rent (L.Swetha and L Ramanathan both are Directors relative) Rs.2,50,000 Paid to Mr. RM.Lakshmanan, Whole time Director
(e)	including the value, if any Date(s) of approval by the Board	31 st July, 2016
(f)	Amount paid as advances, if any	Rs.15,00,000/-

On Behalf of the Board of Directors
EURO LEDER FASHION LIMITED

Chennai
25.07.2019

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

Smt. Jayamalini
Director
(DIN: 08275482)

EURO LEDER FASHION LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on the business of the Company for the year ended 31st March, 2019 has been attempted to include discussion on all the specified matters to the extent relevant or within limits that in our opinion are imposed by the Company's own competitive position.

1. COMPANY AND INDUSTRY STRUCTURE:

The Company manufactures leather garments exclusively for export and has its factory at Pallavaram, Uttiramerur and Nagelkeni (Chennai). All the units are self sufficient to perform their duties and functions. The commitment of the Company towards quality and customer orientation reflects in its well-established clientele.

The industry continued to suffer this year due to a demand supply imbalance and rising input costs. However, the Company has vigorously channelized its efforts at increasing its productivity and turnover and this strategy has paid off by way of a modest increase in the turnover during the year.

2. REVIEW OF OPERATIONS:

A summary of major performance indicators is given below, while the detailed and physical performance may be viewed from the Balance Sheet and Profit & Loss account and the annexure thereto

	2018-19	2017-18
SALES	7352.82	7512.15
EXPORTS	7315.93	7403.78

The Company has adopted a time-bound policy in the short term, to balance production to level which could avoid built up inventory and has taken special measures to bring down stocks to optimum levels. However, in spite of the operating gains the margins have been under strain for the following reasons:

- 1) Increase in major input costs particularly of leather.
- 2) Globally leather garments have registered a decline in realization and this affected India also.
- 3) Average price realization per garment fell to Rs.4440/- during the year. Buyer's domination was pronounced and our buyers abroad bargained hard in view of the falling Indian Rupee against the Euro and U.S.Dollars.
- 4) Freight rates and selling expenses rose appreciably, further pushing the costs. These factors constitute the threats faced by the company.

3. OUTLOOK:

The outlook of the industry appears to be challenging due to strong competition in price and quality and a large rise in input cost and the rising Indian rupees against the USD & Euro. There are signs of a modest improvement in sales which may go up depending on the resurgence of the economy, besides cyclical improvement. The Company has orders in hand worth Rs.17 crores. The Company's strength lies in the quality of its products and the promising looks continued patronage of its buyers. However the realization per garment is likely to be low. The peak season is due to start shortly. The order position is healthy and the Company should register a healthy improvement in its performance in 2020-2021.

EURO LEDER FASHION LIMITED

4. ENVIRONMENT AND SAFETY:

The Company is conscious of the need for environmentally clean and safe operations to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources.

5. HUMAN RESOURCES:

The initiatives undertaken by the Human Resources Department is always aimed at operationalizing the company's Vision and long term & short term strategy. After long discussion and deliberations through Core Team, Management Team and Senior Management, the company recast the organization structure with a well defined role and job responsibility for each of the position. The Performance Management Process has been introduced for the senior management of the company and it is planned to take PMS process to the next level in financial year 2019-20.

6. OTHER MATTERS:

There are no further or typical areas of risks or concerns outside the usual course of business foreseeable at this time. Internal control systems had been found to be adequate and are continuously reviewed for further improvement. Our team is committed to the Board's dictates on standards of conduct as well as good governance and exercise of due diligence including compliance of all relevant laws and regulations. Our appreciation is due to all employees, gratefulness to our board, shareholders and Banks.

7. CAUTIONARY STATEMENT:

Statements in this "Management Discussions and Analysis report" which seek to describe the Company's objectives, projections estimates expectations or predictions may be considered to be "forwarded looking statements" within meaning of applicable securities law or regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global demand and supply conditions, prices of finished goods, stock availability and prices, cyclical demand and pricing in the Company's markets, Exchange fluctuations changes in the Government regulations, tax regimes, economic development within India and countries with which the Company conducts business besides other factors, such as litigation and labour negotiations.

Place: Chennai
Date: 25th July, 2019

On Behalf of the Board of Directors
EURO LEDER FASHION LIMITED

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

Smt.Jayamalini
Director
(DIN: 07165811)

EURO LEDER FASHION LIMITED

Independent Auditor's Report

To the Members of Euro Leder Fashion Limited

Opinion

We have audited the accompanying Standalone financial statements of Euro Leder Fashion Limited (hereinafter referred to as "the Company"), comprising of the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2019; and its Profit, Total Comprehensive Income, the changes in Equity, and Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's report, Management discussion and analysis and Report on corporate governance, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)5 and

EURO LEDER FASHION LIMITED

cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Paragraph 40(b) of this SA explains that the shaded material below can be located in an Appendix to the auditor's report. Paragraph 40(c) explains that when law, regulation or applicable auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor's responsibilities, rather than including this material in the auditor's report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor's responsibilities below.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

EURO LEDER FASHION LIMITED

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Company, we give in the Annexure-A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Standalone financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Standalone financial statements.
 - (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2019 taken on record by the Board of Directors of the Company, none of the directors of the Company are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure – B"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the financial position of the Company.
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Chennai
Date: 25.05.2019

For S Ramakrishnan Associates
Chartered Accountants
Firm Regn.No.006637S
(S. Ramakrishnan)
Partner
Membership No.025936

EURO LEDER FASHION LIMITED

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Euro Leder Fashion Limited ("the Company") on the accounts of the company for the period ended 31st March 2019.]

1. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets
(b) The fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) According to the information and explanation given to us, and on the basis of our examination of the records of the Company the title deeds of the immovable properties are held in the name of the Company.
2. The inventory has been physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business. In our opinion, the company has maintained proper records of inventory. We are informed that no major discrepancies were noticed on verification between the physical stock and book records.
3. According to the information given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore clauses (iii) (a), (iii) (b) and (iii) (c) of Paragraph 3 of the Order are not applicable to the Company.
4. The company has followed the provisions of Section 185 and 186 of Companies Act in respect of loans, investments, guarantees and securities.
5. The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder
6. The provisions of the order made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 do not apply to the Company.
7. (a) According to the information and explanation given to us and based on the records of the company, the company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2019 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
8. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution and banks.
9. Based on our audit procedures and according to the information and explanations given to us, the Company did not raise any money by way of further public offer (including debt instruments) during the year. According to the information and explanations given by the management, term loans were applied for the purpose for which the loans were obtained.
10. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

EURO LEDER FASHION LIMITED

11. According to the information and explanation given to us, in respect of Managerial Remuneration, the company has followed the provision of Section 197 read with Schedule V to the companies Act.
12. In our Opinion, the company is not a Nidhi Company. Therefore clause 3 (xii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
13. According to the information and explanation given to us, in respect of transactions with related parties the company has complied with the provision of Section 177 and 188 of Companies Act 2013 and the same has been disclosed in the Standalone Financial Statements, etc. as required by the Accounting Standard.
14. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the company has not made any preferential allotment of shares during the year.
15. According to the information and explanation given to us, the Company has complied with the provisions of Section 192 of Companies Act 2013 in respect of non-cash transactions with directors or persons connected with.
16. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place: Chennai
Date: 25.05.2019

For S Ramakrishnan Associates
Chartered Accountants
Firm Regn.No.006637S

(S. Ramakrishnan)
Partner
Membership No.025936

ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Euro Leder Fashion Limited ("the Company") as of 31st March 2019 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the

EURO LEDER FASHION LIMITED

Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company.

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Chennai
Date: 25.05.2019

For S Ramakrishnan Associates
Chartered Accountants
Firm Regn.No.006637S

(S. Ramakrishnan)
Partner
Membership No.025936

EURO LEDER FASHION LIMITED

**M/S EURO LEDER FASHION LIMITED
BALANCE SHEET AS AT MARCH 31, 2019**

CIN:L18209TN1992PLC022134

(Amount in Rs.)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
NON CURRENT ASSETS			
(a) Property, plant and equipment	6	14,77,25,823.74	13,01,88,978.16
(b) Capital work-in-progress	6	19,39,377.28	19,39,377.28
(c) Financial assets			
(i) Investments	7	8,751.00	8,751.00
(ii) Other financial assets	8	2,38,62,920.52	3,42,72,668.74
Total non-current assets		17,35,36,872.54	16,64,09,775.18
CURRENT ASSETS			
(a) Inventories	9	8,45,59,235.00	8,08,56,768.00
(b) Financial Assets			
(i) Investments	10	1,37,18,498.00	1,26,69,257.79
(ii) Trade receivables	11	14,32,64,904.40	13,06,94,700.52
(iii) Cash and cash equivalents	12	18,984.45	8,253.45
(iv) Bank balance other than (ii) above	13	4,04,03,122.96	5,02,78,144.10
(v) Short term Loans and advances	14	3,50,88,277.37	4,38,74,474.55
(c) Other current assets	15	3,69,89,748.10	5,28,61,361.82
Total Current assets		35,40,42,770.28	37,12,42,960.23
TOTAL ASSETS		52,75,79,642.82	53,76,52,735.41
EQUITY AND LIABILITIES			
Equity			
a) Equity Share capital	16	3,90,80,250.00	3,90,80,000.00
b) Other Equity	17	8,81,77,767.09	8,40,03,624.84
Total Equity		12,72,58,017.09	12,30,83,624.84
Liabilities			
Non-current liabilities			
a) Deferred tax liabilities (Net)	18	20,39,433.00	10,69,507.00
b) Other long term liabilities	19	-	21,61,119.00
c) Long term provisions	20	1,28,67,827.00	1,34,73,103.00
Total Non-current liabilities		1,49,07,260.00	1,67,03,729.00
Current liabilities			
a) Financial liabilities			
(i) Borrowings	21	18,58,48,851.19	15,76,08,695.19
(ii) Trade payables	22	13,88,55,851.61	14,51,35,354.88
b) Other current liabilities	23	5,45,09,662.93	8,85,21,331.50
c) Short-term provisions	24	62,00,000.00	66,00,000.00
Total current liabilities		38,54,14,365.73	39,78,65,381.57
TOTAL EQUITY AND LIABILITIES		52,75,79,642.82	53,76,52,735.41

Notes form part of these financial statements

As per our report of even date attached

For S.Ramakrishnan Associates
Chartered Accountants
Firm Regn No:006637S

For and on behalf of the Board of Directors

S.Ramakrishnan
Partner
Membership No.025936

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

Mrs Jayamalini
Director
(DIN: 07165811)

M.Nagendra
Chief Financial Officer

Place:Chennai
Dated :25.05.2019

EURO LEDER FASHION LIMITED

M/S EURO LEDER FASHION LIMITED

CIN:L18209TN1992PLC022134

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Rs.)

Particulars	Note	Year ended March 31, 2019	Year ended March 31, 2018
Incomes			
Revenue from operations	25	79,04,79,226.00	82,59,19,143.23
Other income	26	2,00,24,704.45	1,92,95,131.69
Total Revenue		81,05,03,930.45	84,52,14,274.92
Expenses			
Cost of materials consumed	27	58,40,95,747.54	65,40,27,916.96
Purchases of Stock-in-Trade			
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	28	75,52,800.00	-97,16,050.00
Employee benefits expense	29	4,64,69,969.10	4,63,57,372.47
Finance costs	30	1,56,84,005.15	1,44,38,405.81
Depreciation and amortization expense	31	47,31,073.00	38,09,757.00
Other expenses	32	14,21,80,584.41	12,55,84,963.21
Total Expenses		80,07,14,179.20	83,45,02,365.45
Profit before tax		97,89,751.25	1,07,11,909.47
Tax expense:			
Current tax		31,00,000.00	31,00,000.00
Deferred tax		9,69,926.00	4,85,751.00
Taxes relating to earlier year		15,45,683.00	-
Total tax expense		56,15,609.00	35,85,751.00
Profit after tax from continuing operations		41,74,142.25	71,26,158.47
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss			
(a) Remeasurements of the defined benefit plans		-	-
B (i) Items that may be reclassified to profit or loss reclassified to Profit or Loss			
(a) Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge		-	-
Total other comprehensive income / (loss) (A + B)		-	-
Total Comprehensive income for the year		41,74,142.25	71,26,158.47
Earnings per equity share:			
Basic		1.07	1.82
Diluted		1.07	1.82

Notes form part of these financial statements

As per our report of even date attached

For S.Ramakrishnan Associates

For and on behalf of the Board of Directors

Chartered Accountants

Firm Regn No:006637S

S.Ramakrishnan
Partner
Membership No.025936

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

Mrs Jayamalini
Director
(DIN: 07165811)

M.Nagendra
Chief Financial Officer

Place:Chennai
Dated :25.05.2019

EURO LEDER FASHION LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

(Amount in Rs.)

	Year ended 31.03.2019	Year ended 31.03.2018
A. Cash flow from operating activities		
Profit for the year	97,89,751.25	1,07,11,909.47
<u>Adjustments for:</u>		
Depreciation and amortisation expense	47,31,073.00	38,09,757.00
(Profit) / loss on sale / write off of assets	2,27,331.00	5,80,781.00
Finance Cost	1,18,83,356.05	94,63,922.00
	1,68,41,760.05	1,38,54,460.00
Operating profit / (loss) before working capital changes	2,66,31,511.30	2,45,66,369.47
<u>Changes in working capital:</u>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	-37,02,467.00	-3,61,65,569.00
Trade receivables	-1,25,70,203.88	1,35,69,661.88
Loans and other financial assets	87,86,197.18	-2,88,50,743.20
Other current assets	1,48,22,373.41	-2,83,05,241.33
Other Non-current assets	1,04,09,748.22	-18,44,631.97
	1,77,45,647.93	-8,15,96,523.62
Adjustments for increase / (decrease) in operating liabilities:		
Other current liabilities & Provisions		
Trade payables	-62,79,503.27	4,08,66,190.44
Other financial and current liabilities	-3,40,11,668.57	3,48,43,506.38
Other Non-current liabilities	-17,96,469.00	31,44,991.00
Provisions	-91,15,609.00	-56,85,751.00
	-5,12,03,249.84	7,31,68,936.82
Cash flow from extraordinary items	250.00	15,750.00
Cash generated from operations	-68,25,840.61	1,61,54,532.67
Net income tax (paid) / refunds	31,00,000.00	31,00,000.00
Net cash flow from / (used in) operating activities (A)	-37,25,840.61	1,92,54,532.67
B. Cash flow from investing activities		
Capital expenditure on Property Plant & Equipment including capital advances	-2,26,53,006.58	(2,10,10,203.86)
Proceeds from sale of Property Plant & Equipment	1,57,757.00	1,04,288.00
Net cash flow from / (used in) investing activities (B)	-2,24,95,249.58	-2,09,05,915.86

EURO LEDER FASHION LIMITED

	Year ended 31.03.2019	Year ended 31.03.2018
C. Cash flow from financing activities		
Net increase / (decrease) in working capital borrowings	2,82,40,156.00	(1,00,33,184.00)
Finance cost	-1,18,83,356.05	(94,63,922.00)
Net cash flow from / (used in) financing activities (C)	1,63,56,799.95	-1,94,97,106.00
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	-98,64,290.24	-2,11,48,489.19
Opening Cash and cash equivalents as at 01.04.2018	5,02,86,397.55	7,14,34,886.74
Closing Cash and cash equivalents as at 31.03.2019	4,04,22,107.31	5,02,86,397.55
* Comprises:		
(a) Cash on hand	18,984.35	8,253.45
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts	3,00,037.22	24,35,930.18
(ii) In EEFC accounts	84,03,923.08	34,33,596.00
(iii) In deposit accounts with original maturity of less than 3 months	3,16,99,162.66	4,44,08,617.92
(iv) In earmarked accounts (give details) (Refer Note (ii) below)		
(d) Others (specify nature)		
(e) Current investments considered as part of Cash and cash equivalents (Refer Note (ii) to Note 16 Current investments)	4,04,22,107.31	5,02,86,397.55
This is the cash flow statement referred to in our report of even date	-	-

Notes: 1. Cash and cash equivalent represents cash and Bank balances
2. Previous Year figures have been regrouped wherever necessary to confirm to Current years classification.

For S.Ramakrishnan Associates
Chartered Accountants
Firm Regn No:006637S

For and on behalf of the Board of Directors

S.Ramakrishnan
Partner
Membership No.025936

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

Smt Jayamalini
Director
(DIN: 07165811)

M.Nagendra
Chief Financial Officer

Place:Chennai
Dated :25.05.2019

EURO LEDER FASHION LIMITED

M/S EURO LEDER FASHION LIMITED
Statement of Changes in Equity

Equity Share Capital

Particulars	Amount
Equity shares of Rs.10 each issued, subscribed and fully paid	
Balance at April 01, 2017	3,90,64,250.00
Changes in equity share capital during the year	15,750.00
Balance at March 31, 2018	3,90,80,000.00
Changes in equity share capital during the year	250.00
Balance at March 31, 2019	3,90,80,250.00

Other Equity

Particulars	Reserves & Surplus			Items of other comprehensive income		Total Equity attributable to equity share holder
	Retained Earnings	Securities Premium	General Reserve	Effective portion of cash flow hedge	Actuarial Gain/ Loss	
Balance as of April 1, 2017	7,68,77,466.00	-	-	-		7,68,77,466.00
Changes in the equity for the year March 31, 2018						
Profits for the year	71,26,158.47		-	-		71,26,158.00
Other comprehensive income for the year	-	-	-		-	
Balance as of March 31, 2018	8,40,03,624.00	-	-	-		8,40,03,624.00
Changes in the equity for the year March 31, 2019						
Profits for the year	41,74,142.25		-	-		41,74,142.00
Other comprehensive income for the year	-	-	-		-	
Balance as of March 31, 2019	8,81,77,766.00	-	-	-	-	8,81,77,766.00

For S.Ramakrishnan Associates
Chartered Accountants
Firm Regn No:006637S

For and on behalf of the Board of Directors

S.Ramakrishnan
Partner
Membership No.025936

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

Mrs Jayamalini
Director
(DIN: 07165811)

M.Nagendra
Chief Financial Officer

Place:Chennai
Dated :25.05.2019

EURO LEDER FASHION LIMITED

Notes forming part of the financial statements for the year ended 31st March 2019

Note 1: Summary of significant Accounting Policies, Critical Judgments and key estimates

1. General Information

Euro Leder Fashion Limited (The "Company") is engaged in manufacture of leather Garments and has its registered office at No.99, GST Road, Pallavaram, Chennai-600043. The company is having units in Nagelkeni and Uthiramerur. The company is a public limited company and shares are listed in BSE Limited Mumbai.

2. Summary of Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the 2013 Act. The financial statements are prepared under historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below, in accordance with the Generally Accepted Accounting Principles in India and comply in all material respects with the accounting standards specified under the section 133 of the Act. All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of the products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / noncurrent classification of assets and liabilities.

2.2. Use of estimates :

The preparation of the financial statements in conformity with accounting principles generally accepted in India requires the management to make judgements, estimates and assumptions that effect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenues and expenses for the year and disclosure of contingent liabilities as of the Balance Sheet date. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about the assumptions and estimates may result in outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting Estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2.3 Property, Plant and Equipment (PPE)

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment in value, if any. Cost includes purchase price, (inclusive of import duties and non – refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and an initial estimate of the costs of dismantling, removing the item and restoring the site on which it is located, if any. If the Company has acquired a Property, Plant and Equipment on deferred term basis and terms are beyond normal credit terms, property plant and equipment will be recognized

EURO LEDER FASHION LIMITED

on cash price equivalent, i.e. discounted amount. The cost of Assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress. The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. When parts of an item of property plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation

Depreciation on Property, Plant and Equipment (Tangible assets) is generally computed on a pro-rata basis on the basis of the estimated life specified in Schedule II of the Companies Act, 2013 under Straight line method. The useful life of assets prescribed in Schedule II to the Companies Act, 2013 are considered for the purpose of Computation of Depreciation. However, If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on an annual review is different from that envisaged in the aforesaid schedule, depreciation is provided at a such rate based on the useful life / remaining useful life as technically advised. Accordingly, depreciation is provided based on the useful life indicated below which is different from that stated in Schedule II to the Companies Act, 2013.

Assets	Life (in years)
Vehicles	6
Office Equipments	10
Plant & Machinery	13

Depreciation charge on additions / deletions is restricted to the period of use. Depreciation methods, useful lives and residual values are reviewed annually.

2.4 Impairment

Assessment is done annually as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost to sell and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. In such cases, impairment losses are reversed to the extent the assets carrying amount does not exceed, the carrying amount that would have been determined if no impairment loss had previously been recognised.

2.5 Borrowing Cost

Borrowing costs that are attributable to the acquisition / construction / production of qualifying assets (assets which require substantial period of time to get ready for its intended use) are capitalised as part of the cost of that asset. All other borrowing costs are charged to revenue.

2.6 Inventories

Inventories are stated at lower of weighted average cost and net realisable value. Cost of inventories comprises of purchase cost, cost of conversion and other cost including manufacturing overheads

EURO LEDER FASHION LIMITED

incurred in bringing the inventory to present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.7 Foreign Currency Transaction

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the Functional currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. All monetary assets and liabilities in foreign currency are reinstated at the end of accounting period. Exchange differences on reinstatement of all monetary items are recognised in the Statement of Profit and Loss.

Derivative Financial instruments and Hedge Accounting

The Company is exposed to foreign currency risk arising out of Foreign currency revenue, receivables, cash balances, forecasted cash flows, payables and foreign currency loans. The Company has a detailed foreign currency risk mitigation policy in place, including the use of derivatives like the forward currency contracts/ options contracts to hedge forecasted cash flows denominated in Foreign currency. The objective of the same is to mitigate the impact of foreign currency exchange fluctuations caused by transacting in foreign currency in case of future cash flows or highly probable forecast transactions. The Company enters into various foreign currency derivative contracts with Banks in the form of Forward currency contracts ('Hedging instrument') and recognise the financial assets / liabilities ('hedged item') through formal documentation of the hedging relationship in line with the Company's Foreign currency risk management policy.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above, are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

2.8 Revenue Recognition

The company has applied Ind AS 115 'Revenue from contracts with customers' with effect from 1 April 2018. The performance obligations under all sales contracts are satisfied at a point of time. Ind AS 115 did not have a material impact on the amount or timing of recognition of reported revenue.

The Company derives revenues primarily from sale of leather garments. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the probable consideration expected to be received in exchange for those products or services. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

EURO LEDER FASHION LIMITED

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount/pricing incentives varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount/pricing incentives is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts/pricing incentives in the period in which the change occurs.

2.9 Employee Benefits

1. Short - Term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.

2. Defined Contribution Plans Provident Fund

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Superannuation Fund

This is a defined contribution Plan. The company contributes sum equivalent to certain specified percentages of the eligible annual salaries based on the options exercised by the eligible employees to Superannuation Fund administered by Life Insurance Corporation of India (LIC). The Company has no further obligations for future superannuation benefits other than its annual contribution and recognises such contribution as expense as and when due.

3. Defined Benefit Plan

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") administered by LIC covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation, resignation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / gains are recognised in the other comprehensive income in the year in which they arise. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

4. Other Long term employee benefits

Compensated Absence

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / gains are recognised in the Profit and Loss Statement in the year in which they arise.

2.10 Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the relevant prevailing tax laws. Tax expenses relating to the items in profit and loss shall be treated as current tax as part of profit and loss and those relating to items in other comprehensive income (OCI) shall be recognised as part of OCI.

Deferred tax is recognised for all the temporary differences between the carrying amounts of assets and liabilities in the financial statements and corresponding tax bases used in computation of taxable profit. Deferred tax assets are recognised and carried forward only to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any and the same is recognised to the extent it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation law.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period. MAT shall be treated as part of deferred tax assets.

2.11 Financial instruments

Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

i. Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through profit or loss A financial asset which is not classified in the above category is subsequently fair valued through profit or loss.

iii. Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method for trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Derecognition of financial instruments. The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

EURO LEDER FASHION LIMITED

Impairment

All financial assets classified as at amortised cost shall be tested for impairment under Ind AS 109 and measured using Expected Credit Loss (ECL) model.”

2.12 Fair Value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

2.13 Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions. All government grants are initially recognized by way of setting up as deferred income. Government grants relating to income are subsequently recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of property plant and equipment are subsequently recognised in profit or loss on a systematic basis over the expected life of the related depreciable assets. Grants recognized in Profit and Loss as above are presented within other income.

2.14 Research & Development Expenditure

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred. Items of property, plant and equipment and acquired Intangible assets utilised for Research and Development are capitalized and depreciated in accordance with the policies stated for property, plant and equipment and intangible assets.

2.15 Provisions and Contingent Liabilities

Provisions :Provisions are recognised when there is a present obligation as result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value unless the effect of time value of money is material. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities :Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. When there is a possible obligation or a

EURO LEDER FASHION LIMITED

present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.16 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting equity dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3. Critical accounting judgements, assumptions and key sources of estimation uncertainty

The following are the critical judgements, assumptions concerning the future, and key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.1. Useful lives of property, plant and equipment

As described at Note 2.3 above, the charge in respect of periodic depreciation for the year is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed annually. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

3.2. Employee Benefits

The cost of defined benefit plans are determined using actuarial valuation, which involves making assumptions about discount rates, expected rates of return on assets, future salary increases, and mortality rates. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

3.3. Taxation

Significant assumptions and judgements are involved in determining the provision for tax based on tax enactments, relevant judicial pronouncements and tax expert opinions, including an estimation of the likely outcome of any open tax assessments / litigations. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available, based on estimates thereof.

3.4 Provisions and contingencies

Critical judgements are involved in measurement of provisions and contingencies and estimation of the likelihood of occurrence thereof based on factors such as expert opinion, past experience etc.

4. Recent accounting pronouncements Standards issued but not yet effective

4.1. Amendments to Ind AS 12 - Income Taxes

Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The

EURO LEDER FASHION LIMITED

current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019.

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 – Income Taxes. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019.

4.2 Amendment to Ind AS 19 - Employee Benefits

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 – Employee Benefits in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment will come into force for accounting periods beginning on or after April 1, 2019, though early application is permitted.

5. New Accounting Standard : Ind AS 116 – Leases

On March 30, 2019, the Ministry of Corporate Affairs notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Ind AS 116 – Leases and related amendments to other Ind ASs. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements as per Ind AS 17. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019.

The Company is currently evaluating the effect of the above on its standalone financial statements

EURO LEDER FASHION LIMITED
Note 6: Property, Plant and Equipment and Capital work in progress

Sl. No.	Particulars	Gross Block				Depreciation				Net Block	
		As at 01.04.2017	Additions	Deletions	As at 31.03.2018	Upto 01.04.2017	For the Year	Adjustment	As at 31.03.2018	As at 31.03.2018	As at 01.04.2017
1	Plant & Machinery	2,26,15,229.25	1,75,09,514.00	-	4,01,24,743.25	70,14,443.20	15,20,321.00	-	85,34,764.20	3,15,89,979.05	1,56,00,786.05
2	Furniture & Fixtures	41,30,711.19	5,61,715.00	-	46,92,426.19	22,64,035.85	1,85,262.00	-	24,49,297.85	22,43,129.34	18,66,675.34
3	Motor Car	1,77,60,450.97	23,74,973.00	11,89,150.00	1,89,46,273.97	54,55,697.77	20,77,499.00	5,04,081.00	70,29,115.77	1,19,17,159.20	1,23,04,753.20
4	Computer	11,35,498.50	-	-	11,35,498.50	10,51,272.34	26,675.00	-	10,77,947.34	57,552.58	84,226.16
5	Land Purchase	8,38,17,158.00	5,64,000.00	-	8,43,81,158.00	-	-	-	-	8,43,81,158.00	8,38,17,158.00
	Total Tangible Assets	12,94,59,047.90	2,10,10,202.00	11,89,150.00	14,92,80,099.90	1,57,85,449.16	38,09,757.00	5,04,081.00	1,90,91,125.16	13,01,88,978.16	11,36,73,598.74
6	Work In Progress	19,39,377.28	0.00	-	19,39,377.28	-	-	-	-	19,39,377.28	19,39,377.28
		19,39,377.28	0.00	-	19,39,377.28	-	-	-	-	19,39,377.28	19,39,377.28
	TOTAL	13,13,98,425.18	2,10,10,202.00	11,89,150.00	15,12,19,477.18	1,57,85,449.16	38,09,757.00	5,04,081.00	1,90,91,125.16	13,21,28,355.44	11,56,12,976.02
7	Intangible Assets	-	-	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-	-	-	-
	GRAND TOTAL	13,13,98,425.18	2,10,10,202.00	11,89,150.00	15,12,19,477.18	1,57,85,449.16	38,09,757.00	5,04,081.00	1,90,91,125.16	13,21,28,355.44	11,56,12,976.02

EURO LEDER FASHION LIMITED

Note 6: Property, Plant and Equipment and Capital work in progress

Sl. No.	Particulars	Gross Block					Depreciation				Net Block	
		As at 01.04.2018	Additions	Deletions	As at 31.03.2019	Upto 01.04.2018	For the Year	Adjustment	As at 31.03.2019	As at 31.03.2019	As at 01.04.2018	
1	Plant & Machinery	4,01,24,743.25	1,78,61,308.86	-	5,79,86,052.11	85,34,764.20	23,60,502.00	-	1,08,95,266.20	4,70,90,785.91	3,15,89,979.05	
2	Furniture & Fixtures	46,92,426.19	4,93,923.39	-	51,86,349.58	24,49,297.85	2,49,396.00	-	26,98,693.85	24,87,656.73	22,43,128.34	
3	Motor Car	1,89,46,273.97	22,70,617.00	11,63,218.00	2,00,53,672.97	70,29,115.77	20,92,305.00	7,78,130.00	83,43,290.77	1,17,10,383.20	1,19,17,158.20	
4	Computer	11,35,498.50	1,03,381.33	-	12,38,879.83	10,77,947.34	28,870.00	-	11,06,817.34	1,32,063.91	57,551.16	
5	Land Purchase	8,43,81,158.00	19,23,776.00	-	8,63,04,934.00	-	-	-	-	8,63,04,934.00	8,43,81,158.00	
	Total Tangible Assets	14,92,80,099.90	2,26,53,006.58	11,63,218.00	17,07,69,888.48	1,90,91,125.16	47,31,073.00	7,78,130.00	2,30,44,068.16	14,77,25,823.74	13,01,88,974.74	
6	Work In Progress	19,39,377.28	-	-	19,39,377.28	-	-	-	-	19,39,377.28	19,39,377.28	
		19,39,377.28	-	-	19,39,377.28	-	-	-	-	19,39,377.28	19,39,377.28	
	TOTAL	15,12,19,477.18	2,26,53,006.58	11,63,218.00	17,27,09,265.76	1,90,91,125.16	47,31,073.00	7,78,130.00	2,30,44,068.16	14,96,65,201.02	13,21,28,352.02	
	Intangible Assets	-	-	-	-	-	-	-	-	-	-	
	TOTAL	-	-	-	-	-	-	-	-	-	-	
	GRAND TOTAL	15,12,19,477.18	2,26,53,006.58	11,63,218.00	17,27,09,265.76	1,90,91,125.16	47,31,073.00	7,78,130.00	2,30,44,068.16	14,96,65,201.02	13,21,28,352.02	

EURO LEDER FASHION LIMITED

ASSETS	31.03.2019	31.03.2018
6 NON CURRENT ASSETS		
(a) Property, plant and equipment	14,77,25,823.74	13,01,88,978.16
(b) Capital work-in-progress	19,39,377.28	19,39,377.28
Total Rs.	14,96,65,201.02	13,21,28,355.44
7 (c) Financial assets		
(i) Investments		
Equity Shares -Fully Paid up		
154 Shares in Lakshmi Vilas Bank Ltd	8,751.00	8,751.00
(Aggregate Value of quoted invesment)		
Total Rs.	8,751.00	8,751.00
8 (ii) Other financial assets		
Unsecured Considered Good		
Capital Advances		
Rental and Security Deposits	1,04,84,348.52	93,97,098.52
Advance Income Tax & Self assessment tax	1,06,22,772.00	1,84,50,764.00
Others advncs	27,55,800.00	64,24,806.22
Total Rs.	2,38,62,920.52	3,42,72,668.74
Total non-current assets	17,35,36,872.54	16,64,09,775.18
CURRENT ASSETS		
9 Inventories		
(As Certified by the Managing Director)		
Raw Materials including Scraps	6,26,20,539.00	5,06,28,951.00
Consumables	84,94,396.00	92,30,717.00
Work in Progress	24,00,000.00	41,85,000.00
Finished Goods	1,10,44,300.00	1,68,12,100.00
Total Rs.	8,45,59,235.00	8,08,56,768.00
10 (b) Financial Assets		
(i) Investments		
Canara Rebeco Gold Saving Fund	1,37,18,498.00	1,26,69,257.79
	1,37,18,498.00	1,26,69,257.79
11 (ii) Trade receivables		
Unsecured		
Debts overdue for a period exceeding six months		
- Considered Good (exceeds one year)	34,53,323.00	81,254.00
- Doubtful		
Other debts		
- Considered Good (Current Year receivables)	13,98,11,581.40	13,06,13,446.52
- Doubtful		
Total Rs.	14,32,64,904.40	13,06,94,700.52
Less: Provision for doubtful debts		
Total Rs.	14,32,64,904.40	13,06,94,700.52

EURO LEDER FASHION LIMITED

ASSETS	31.03.2019	31.03.2018
12 (iii) Cash and cash equivalents		
Cash on hand	18,984.45	8,253.45
	18,984.45	8,253.45
13 (iv) Bank balance other than (ii) above		
Balances with banks		
In Current Accounts	3,00,037.22	24,35,930.18
In EEFC Accounts	84,03,923.08	34,33,596.00
In Deposit	3,16,99,162.66	4,44,08,617.92
Total Rs.	4,04,03,122.96	5,02,78,144.10
14 (v) Short term Loans and advances		
Unsecured - Considered Good		
Loans and advances	2,23,30,994.76	2,07,27,566.33
Rent Deposits	20,50,000.00	21,72,000.00
Other advances	1,07,07,282.61	2,09,74,908.22
Total Rs.	3,50,88,277.37	4,38,74,474.55
Less: Provision for doubtful debts		
Total Rs.	3,50,88,277.37	4,38,74,474.55
15 (c) Other current assets		
Duty Drawback Receivable	<i>34,86,232.00</i>	43,93,909.00
Vat in put credit receivable	82,86,739.40	1,00,45,051.48
GST receivables	2,52,16,776.70	3,84,22,401.34
Total Rs.	3,69,89,748.10	5,28,61,361.82
TOTAL CURRENT ASSETS	35,40,42,770.28	37,12,42,960.23
TOTAL CURRENT AND NON CURRENT ASSETS	52,75,79,642.82	53,76,52,735.41
CONTINGENT LIABILITIES & COMMITMENTS		
Contingent Liabilities		
Liability on bills discounted with banks	13,14,64,565.00	8,33,36,266.00
Total Rs.	13,14,64,565.00	8,33,36,266.00

EURO LEDER FASHION LIMITED

Note 16 Equity Share capital

Particulars	As at 31 March, 2019		As at 31 March, 2018		As at 1 April, 2017	
	Number of shares	Rs.	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised 50,00,000 Equity Shares of Rs.10/- each	50,00,000	5,00,00,000	50,00,000	50,00,000	5,00,00,000	50,00,00,000
(b) Issued, Subscribed and Fully paid up Equity shares of Rs.10/- each with voting rights	44,73,600	4,47,36,000	44,73,600	4,47,36,000	44,73,600	4,47,36,000
Less:calls in arrears	7,54,100	56,55,750	7,54,133	56,56,000	7,56,238	56,71,750
		3,90,80,250		3,90,80,000		3,90,64,250

Notes:

1. The Company has only one class of shares referred to as equity shares having a par value of Rs.10 each. Each holder of equity share is entitled to one vote per share.
2. In the event of repayment of Capital of the Company, the distribution will be in the proportion to the number of equity shares held by the shareholders.
3. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Closing Balance
Equity shares with voting rights Year ended 31 March, 2019			
- Number of shares	44,73,600	-	44,73,600
- Amount (Rs.)	4,47,36,000	-	4,47,36,000
Year ended 31 March, 2018			
- Number of shares	44,73,600	-	44,73,600
- Amount (Rs.)	4,47,36,000	-	4,47,36,000

4. Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2019		As at 31 March, 2018		As at 1 April, 2017	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights Shri.RM.Lakshmanan	12,73,929	28.48%	10,80,495	24.15%	10,80,495	24.15%

EURO LEDER FASHION LIMITED

Notes forming part of the Financial Statements for the year ended 31st March 2019

Particulars	As at 31.03.2019	As at 31.03.2018
EQUITY AND LIABILITIES		
Equity		
16 a) Equity Share capital		
Authorized Capital	5,00,00,000.00	5,00,00,000.00
50,00,000 Equity Shares of Rs. 10/- each		
Issued, Subscribed and Paid up:		
4473600 Equity Shares of Rs. 10/- each		
fully paid up	4,47,36,000.00	4,47,36,000.00
Less:calls in arrears	56,55,750.00	56,56,000.00
Total Rs.	3,90,80,250.00	3,90,80,000.00
16.1 Shares in the Company held by each shareholder holding more than 5 per cent shares		
Name of the Shareholders	No of shares held	No of shares held
Shri.RM.Lakshmanan	1273929	10,78,295
% of holding	28.48	24.10
The company during the period of five years immediately preceding 31st March 2019, has not issued any bonus shares, shares for consideration other than cash and has not bought back its shares. Further the company does not have any outstanding shares issued under options as on 31-03-2019		
17 b) Other Equity		
Opening balance	8,40,03,624.84	7,68,77,466.37
Net Profit For the current year	41,74,142.25	71,26,158.47
Closing Balance	8,81,77,767.09	8,40,03,624.84
GENERAL RESERVE		
The general reserve is the profit transferred from retained earnings from time to time. There is no policy of regular transfer		
FVTOCI RESERVE		
Fair value through other comprehensive income reserve represents the balance in equity for items to be accounted in other comprehensive income (OCI). The company has opted to recognize the changes in the fair value of certain investments in equity instruments. The company transfers amount from this reserve to retained earnings in case of loss/gain on actual sale.		
RETAINED EARNINGS		
Represents the portion of net income / (loss) of the company that has been retained / carried over by the company.		

EURO LEDER FASHION LIMITED

Particulars	As at 31.03.2019	As at 31.03.2018
Liabilities		
Non-current liabilities		
18 a) 'Deferred tax liabilities (Net) Tax Liability on difference between book depreciation and depreciation under the Income tax act 1961 Tax Act 1961.	20,39,433.00	10,69,507.00
19 Other Long term Liabilities	-	21,61,119.00
20 Long term provisions	1,28,67,827.00	1,34,73,103.00
TOTAL RS.	1,49,07,260.00	1,67,03,729.00
Current liabilities		
21 (a) Financial liabilities		
a) Short Term Borrowings-Secured-Ref Note No.21.1, 21.2 & 21.3		
a) Packing Credits	5,43,84,286.19	4,92,72,429.19
b) Bills negotiation with bank	13,14,64,565.00	8,33,36,266.00
c) Packing Credit foreign currency (in Rs.)	-	-
d) Canara Bank VSL MSE in Rs.	-	2,50,00,000.00
TOTAL RS.	18,58,48,851.19	15,76,08,695.19
21.1 Deposit of title deeds of land at adyar belong to the one of the directors relative of the Company		
21.2 First charge on Hypothication of Raw materials, Work in progress, Finished goods, consumable stores and spares meant for Exports and all other movable goods and properties of every description, Book Debts Present and Future, Plant and Machinery &		
21.3 Personal guarantee of Two directors of the company		
22 ii) 'Trade payables		
Trade Payable-Suppliers	13,88,55,851.61	14,51,35,354.88
	13,88,55,851.61	14,51,35,354.88
23 b) Other current liabilities		
Other Current Liabilities	5,34,54,486.93	8,68,73,653.93
Statutory Dues	10,55,176.00	11,41,646.00
Due to Directors	-	5,06,031.57
TOTAL RS	5,45,09,662.93	8,85,21,331.50
24 c) 'Short-term provisions		
Provision for Income Tax	62,00,000.00	66,00,000.00
	62,00,000.00	66,00,000.00
TOTAL CURRENT LIABILITIES	52,75,79,642.82	53,76,52,735.41

EURO LEDER FASHION LIMITED

25 Revenue from operations	Year ended 31 March 2019	Year ended 31 March 2018
SALE OF PRODUCTS		
Export Sales	73,15,93,367.00	74,03,78,192.00
Local Sales	3,24,890.00	-
Second Sales	-	94,470.00
GST SALES	33,63,245.00	86,06,298.87
CST SALES	-	21,36,608.00
	73,52,81,502.00	75,12,15,568.87
OTHER OPERATING REVENUES		
Duty Draw Back received	2,10,43,170.00	4,89,03,367.00
Import License Sold	3,41,54,554.00	2,58,00,207.36
TOTAL	5,51,97,724.00	7,47,03,574.36
TOTAL	79,04,79,226.00	82,59,19,143.23
26 Other Income		
INTEREST INCOME		
Interest received	15,56,056.11	32,58,424.73
export sample income	3,37,183.73	-
Insurance Claim Received-Factory	38,079.30	-
income from investment	49,240.21	-
Interest from KDR	5,25,671.63	-
profit on sale of assets	23,543.00	-
Development charges	-	10,500.00
Discount Allowed & procesing income	-	30,404.33
Exchange Difference	1,74,94,930.47	1,59,95,802.63
TOTAL	2,00,24,704.45	1,92,95,131.69
27 Cost of materials consumed (Ref Note No.27.1.27.2)		
Materials Consumed- Leathers		
Opening Stock	5,06,28,951.00	2,74,87,441.00
Add : Purchases	48,74,64,901.00	58,60,97,247.23
	53,80,93,852.00	61,35,84,688.23
Less : Closing Stock	6,26,20,539.00	5,06,28,951.00
TOTAL	47,54,73,313.00	56,29,55,737.23
Materials Consumed- Consumables		
Opening Stock	92,30,717.00	59,22,708.00
Add : Purchases	10,31,14,683.85	8,96,77,390.06
	11,23,45,400.85	9,56,00,098.06
Less : Closing Stock	84,94,396.00	92,30,717.00
	10,38,51,004.85	8,63,69,381.06
Add : Chemical Purchase	47,71,429.69	47,02,798.67
	10,86,22,434.54	9,10,72,179.73
TOTAL	58,40,95,747.54	65,40,27,916.96
28 Changes in inventories of finished goods work-in-progress and Stock-in-Trade		
Increase/ (Decrease) In stock :-		
Opening Stock		
Finished Goods	1,68,12,100.00	97,33,550.00
Work In Progress	41,85,000.00	15,47,500.00
	2,09,97,100.00	1,12,81,050.00
Closing Stock		
Finished Goods	1,10,44,300.00	1,68,12,100.00
Work In Progress	24,00,000.00	41,85,000.00
Increase / (Decrease In Stock)	75,52,800.00	-97,16,050.00

EURO LEDER FASHION LIMITED

29 Employee Benefits Expense		
Salaries and incentives		
Directors Remuneration	15,00,000.00	15,00,000.00
Sri. R.M.Lakshmanan Whole Time Director		
HRA To Directors :-	9,00,000.00	9,00,000.00
Sri. R.M.Lakshmanan Whole Time Director		
Salaries & Wages	3,88,72,309.50	3,88,17,418.00
Security Charges	5,07,364.42	3,14,759.14
TOTAL	4,17,79,673.92	4,15,32,177.14
Contributions to		
Contribution to Provident fund	21,67,463.00	22,00,420.00
Contribution to ESIC	3,97,215.00	3,86,582.00
Staff welfare expenses	21,25,617.18	22,38,193.33
TOTAL	46,90,295.18	48,25,195.33
GRAND TOTAL	4,64,69,969.10	4,63,57,372.47
30 Finance costs		
Interest Paid to Banks	1,18,83,356.05	94,63,922.00
Bank Charges	38,00,649.10	49,74,483.81
TOTAL	1,56,84,005.15	1,44,38,405.81
31 Depreciation and amortization expense		
Depreciation	47,31,073.00	38,09,757.00
	47,31,073.00	38,09,757.00
32 Other expenses		
Rent Paid	1,33,73,818.00	1,11,17,099.00
Annul Listing Fees	3,04,000.00	2,68,767.00
Agm Expenses	22,229.00	68,695.00
Annual Maintanance Charges	-	83,170.00
Rate & Taxes	1,11,78,575.36	9,28,824.00
Insurance	6,93,912.07	7,60,188.59
Packing Material Consumed	32,87,710.44	41,93,550.20
Air Freight & Transport Charges	2,14,42,414.13	2,42,06,420.46
Export Agency Commission	54,54,244.00	93,25,722.00
Postage,Telegram & Telephone	14,67,171.19	15,73,024.43
Printing & Stationery	6,29,822.00	5,65,217.00
Travelling & Conveyance	11,60,643.60	12,03,569.00
Tours and Travelling Expenses (including overseas)	62,92,065.72	39,06,564.52
Repairs & Maintenance :-		
a. Building	50,01,989.35	13,12,223.00
b. Computers	83,734.09	3,64,379.45
c. Others	41,05,999.48	13,30,139.60
d. Plant & Machinery	25,12,439.44	53,59,338.61
Sitting Fees	32,000.00	40,000.00
Advertisement Charges	61,300.00	49,200.00
Professional Charges	17,49,696.00	4,87,662.00
Boarding and lodging expenses	-	2,37,550.09
Rate difference	1,25,78,562.00	
Bad Debts Written Off	25,19,330.74	4,66,263.24
Gratuity Paid	3,82,400.00	3,25,000.00
Bonded Storage	-	8,511.75
Clearance Charges	-	64,500.00

EURO LEDER FASHION LIMITED

Disbursement Fee	14,74,217.34	11,285.58
ED Cess Paid	-	51,363.84
general exp	2,000.00	
Handling Charges	1,600.00	9,56,570.52
KKC Paid		8,944.58
Late Fee Filing Gst	-	450.00
Other Charges	5,606.74	58.00
Stock exchange fee	5,64,040.00	
Pattern Development Charges-Export	-	7,07,757.00
Swatch Barath Paid		9,222.36
Warehouse Charges & Cess	11,546.25	26,481.25
Bonus Paid	-	32,56,470.00
Leave Encashments	2,17,790.00	49,972.00
Donations	67,800.00	30,500.00
Documentation Charges	-	-
Service Tax paid	-	5,59,585.68
ECGC Premium	5,14,373.00	2,53,172.00
Vehicle Maintenance	25,33,174.27	19,33,369.17
Forward contract Loss	-	-
Export Promotion Expenses	68,49,328.41	91,80,281.53
Pooja Expenses	-	1,96,277.00
Interest paid	-	1,11,362.00
FST Charges	-	3,597.00
Office Maintanance	3,41,493.73	2,20,982.48
Books & Periodicals	1,520.00	1,200.00
Entertainment expenses	-	-
Loss on sale of assets	2,27,331.00	5,80,781.00
Inspection charges	-	1,036.00
Rounded off	4.44	-305.94
Membership & Subscription	-	2,950.00
Power & Fuel	20,47,246.77	24,43,418.61
Electricity Charges	57,08,255.00	50,30,327.00
Labour Charges	73,88,904.25	2,03,91,738.38
Leather Processing Charges	1,30,97,247.83	53,76,285.88
Commission Paid	36,89,719.67	42,97,041.95
Duty Paid-Customs	16,68,281.10	15,46,209.40
Audit Fees (Ref Note No.33.1)	1,05,400.00	1,01,000.00
Income tax paid	13,29,648.00	-
TOTAL	14,21,80,584.41	5,84,963.21
33.1 Amount Paid / Payable to Auditors		
Audit Fees	75,000.00	75,000.00
Taxation	25,000.00	25,000.00
Certification fees	5,400.00	1,000.00
TOTAL	1,05,400.00	1,01,000.00
27.1 Raw material Consumed		
Leather- 7863915 Sq.Ft 10190266 Sq.Ft	47,54,73,313.00	56,29,55,737.23
Other Accessories	10,86,22,434.54	9,10,72,179.73
	58,40,95,747.54	65,40,27,916.96
27.2 Value of imported/indigeneous material consumed		
Import-Landed Cos-10.43% & 10.18%	6,09,50,137.15	8,96,77,390.06
Indigeneous-89.57% & 89.82%	52,31,45,610.39	56,43,50,526.90
Total -100%	58,40,95,747.54	65,40,27,916.96

EURO LEDER FASHION LIMITED

Note No.33

Other disclosures as per requirements in revised schedule iii of Companies act 2013.

Contingent Liabilities

Particulars	As at 31 March, 2019 Rs.	As at 31 March, 2018 Rs.	As at 31 March, 2017 Rs.
33. Contingent liabilities and commitments (to the extent not provided for)			
(i) Contingent liabilities			
(a) Guarantees	-	-	-
(b) Unexpired letters of credit	-	-	-
(c) Disputed tax/duty demands under appeal (Refer Note 1 below)	4,04,363	14,67,193	4,04,363
(ii) Commitments			
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for Property, Plant and Equipment			
* Includes amounts under dispute for various assessment years adjusted unilaterally by Income tax assessment authorities with carried forward business losses.			

Note 1 - Disputed tax/duty demands and disallowances under appeal

Name of the Statute and nature of Dispute	Amount (Rs.)	Period to which the amount relates	Forum where Dispute is Pending
Income Tax Act, 1961			
Income tax demand for the A.Y 2001-02	4,04,363.00	2001-02	ITAT appeal
Income tax demand for the A.Y 2014-15	10,62,830.00	2014-15	CIT appeal
Note: - Figures in brackets relate to the previous year.			

(i) Details of Auditors' Remuneration:

	Details 2018-19 Rs.in lakhs	2017-18 Rs.in lakhs
Statutory Audit	0.75	0.75
Tax Audit	0.25	0.25
Certification charges	0.05	0.01
Total	1.05	1.01

- ii) Confirmation of balances from Debtors and Creditors have not been received in certain cases.
- iii) Items of revenue / expense amounting to more than 1% of total value has been disclosed separately.
- iv) Previous year's figures have been re-grouped wherever necessary to conform to this year's classification.
- v) As per IND AS 19, Employees Benefit, the disclosure of employees benefits as defined in the Accounting standard are given below:

EURO LEDER FASHION LIMITED

vi) EARNING PER SHARE (EPS)

	31.03.2019	31.03.2018
Profit as per Profit & Loss account (Rs.Inlacs).	97.89	107.12
Weighted Average number of equity shares (in lacs)	39.08	39.08
Basic and Diluted Earnings Per Share (Rs. P).	1.07	1.82
Nominal Value of Shares (Rs.).	10/-	10/-

vii). RELATED PARTIES TRANSACTIONS:

As per the IND AS 24 – Related party transactions, the company's related party and the details of transactions the company had with them are given below:

a) Key Managerial Personnel and relatives of Key Managerial Personnel

Name of the Key Managerial personnel	Designation
1. Sri. RM.Lakshmanan	Whole Time Director
2. Sri.N.MeenakshiSundaram	Director-retired on 18.09.2018
3. Sri S.Jambunath	Director-retired on 18.09.2018
4. Mrs.jayamalini	Director
5. Avinash Ananthanarayanan	Director Appointed on 17.09.2018
6. Ms.Aishwarya N	Director-Appointed on 12.11.2018
7. M Nagendra	Chief Financial Officer

b) Relatives of Key Managerial Personnel-

1. Late Meenal. L, Wife of RM.Lakshmanan
2. Sajith Chandran, Husband of S.Jayamalini

c) Disclosure in respect of related party transactions

Nature	2018-19	2017-18
Rent-Late.Meenal.L	1050000	1800000
Rent- RM.Lakshmanan	225000	0
Rent- L.Ramanathan	225000	0
Rent -L Shwetha	225000	0
Salary-Mr.Sajithchandran	741000	629000
Outstanding payable as on 31 March 2019		
Late.L.Meenal	0	135000
Rent- RM.Lakshmanan	45000	0
Rent- L.Ramanathan	45000	0
Rent -L Shwetha	45000	0
Mr.SajithChandran	57000	48300

Mrs.Meenal died in sept 2018 and the shares were given in equal proportion to the legal heirs.

d. Remuneration to key management personal

Name	Rs. in Lakhs	Rs. in Lakhs
M.Nagendra- Chief Financial Officer	6.84	6.18

EURO LEDER FASHION LIMITED

VIII) Disclosure of Fair value measurements

(a) Financial Instruments by category:-

The following table provides categorization of all financial instruments

Particulars	Amortised Cost Amount in rupees	Fair Value thru Profit and Loss
As at 31-03-2019		
Financial Assets		
Investments	1,37,18,498.00	8,751.00
Trade Receivables	14,32,64,904.00	
Cash and Cash Equivalents	18,984.00	
Other Financial Assets	2,38,62,920.00	
Financial Liabilities		
Borrowings	18,58,48,851.00	
Trade Payables	13,88,55,851.00	
Other financial liabilities	5,45,09,662.00	
As at 31-03-2018		
Financial Assets		
Investments	1,26,69,257.79	8,751.00
Trade Receivables	13,06,94,700.52	
Cash and Cash Equivalents	8,253.45	
Other Financial Assets	3,42,72,668.74	
Financial Liabilities		
Borrowings	15,76,08,695.19	
Trade Payables	14,51,35,354.88	
Other financial liabilities	8,85,21,331.50	
As at 01-04-2017		
Financial Assets		
Investments	1,22,15,790.05	8,751.00
Trade Receivables	14,42,64,362.40	
Cash and Cash Equivalents	8,179.45	
Other Financial Assets	3,24,28,036.77	
Financial Liabilities		
Borrowings	16,76,41,879.19	
Trade Payables	10,42,69,164.44	
Other financial liabilities	5,36,77,825.12	

(b) Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by Valuation technique:

Level 1: Quoted (Unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

IX) Financial Risk Management

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyse the risk faced by the Company. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Audit committee is assisted in the oversight role by Internal Audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the Audit Committee.

EURO LEDER FASHION LIMITED

Notes forming part of the Financial Statements for the year ended 31st March 2019

Note 34 : Income Taxes

(i) Reconciliation between average effective tax rate and applicable tax rate

The Company does not have any taxable profits during the year. Further, deferred tax has also not been recognized for reasons stated in Note 1 below. Accordingly, the disclosure relating to reconciliation of income tax expenses to applicable tax rates is not applicable.

(ii) Following is the analysis of the deferred tax asset/(liabilities) presented in the Balance sheet.

Particulars	(In Rs.)			
	For the Year ended 31 March 2019			
	Opening Balance	Recognised in Profit and Loss	Recognised OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(10,69,507)	(9,69,926)	-	(20,39,433)
Tax effect of items constituting deferred tax assets				
Employee Benefits	-	-	-	-
Total	-	-	-	-
Net Tax Asset / (Liabilities)	(10,69,507)	(9,69,926)	-	(20,39,433)

Particulars	(In Rs.)			
	For the Year ended 31 March 2018			
	Opening Balance	Recognised in Profit and Loss	Recognised OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(5,83,756)	(4,85,751)	-	(10,69,507)
Tax effect of items constituting deferred tax assets				
Employee Benefits	-	-	-	-
Total	-	-	-	-
Net Tax Asset / (Liabilities)	(5,83,756)	(4,85,751)	-	(10,69,507)

Note 35 : Financial Instruments

A. Capital risk management The capital structure of the company consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the company which comprises issued share capital and accumulated reserves disclosed in the Statement of Changes in Equity.

The company's capital management objective is to achieve an optimal weighted average cost of capital while continuing to safeguard the company's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due.

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Debt (Refer Note 21)	18,58,48,851.00	15,76,08,695.19	14,81,26,644.19
Cash and Bank Balance	4,04,03,122.00	-5,02,86,397.55	-5,11,01,322.00
Total Debt	22,62,51,973.00	10,73,22,297.64	9,70,25,322.19
Total Equity	12,72,58,017.00	12,30,83,624.84	10,97,75,479.39
Net Debt to equity ratio	1.78	0.87	0.88

EURO LEDER FASHION LIMITED

B. Financial Risk Management

ii) Interest rate risk The company is exposed to interest rate risk as the company borrows funds at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings. The use of interest rate swaps are also entered into, especially to hedge the floating rate borrowings or to convert the foreign currency floating interest rates to the domestic currency floating interest rates.

b) Credit risk Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with credit worthy counter parties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, concentrated in the automobile industry, mainly the Original Equipment Manufacturers ("OEM"). Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, security deposits are received from customers.

At 31 March 2019, the company did not consider there to be any significant concentration of credit risk which had not been adequately provided for. The carrying amount of the financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

c) Liquidity Risk

The company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities for the company. The company has established an appropriate liquidity risk management framework for its short term, medium term and long term funding requirement

d) Details of outstanding forward exchange contracts

Currency pair	Currency	Currency value	Average exchange rate	Nominal Value (Rs.)	Buy/Sell
As at March 31, 2019					
USD/INR	US Dollar	Nil		-	Buy
EURO/INR	EURO	Nil		-	Buy
As at March 31, 2018					
USD/INR	US Dollar			-	Buy
EURO/INR	EURO	74,500.00	76.38	56,90,310	Buy
As at April 1, 2017					
USD/INR	US Dollar	2,00,000.00	67.18	1,34,35,000	Buy
EURO/INR	EURO	2,00,000.00	73.18	1,46,36,000	Buy

Note xii: Approval of Financial Statements

The financial statements were approved for issue by the board of directors on 25.05.2019.

EURO LEDER FASHION LIMITED

Financial arrangements

The company has access to the following undrawn borrowing facilities:

Particulars	31-03-2019 (Rs.in lakhs)	31-03-2018 (Rs.in lakhs)
Expiring within one year	1858.49	1576.08
Working capital and other facilities		
Expiring beyond year	Nil	Nil

Maturities of Financial Liabilities

Nature of Financial Liability	Less than 1 year (Amount in Rs.) .	1-5 years (Amount in Rs.) .
As at 31.03.2019		
Borrowings from Banks	18,58,48,851.19	-
Trade payables	13,88,55,851.61	-
Other financial liabilities	5,45,09,662.93	-
As at 31.03.2018		
Borrowings from Banks	15,76,08,695.19	-
Trade payables	14,51,35,354.88	-
Other financial liabilities	8,85,21,331.50	-

xii.Foreign Currency Risk

The Company's exposure in USD and other foreign currency denominated transactions in connection with import of cotton, capital goods & spares, besides exports of finished goods in foreign currency, gives rise to exchange rate fluctuation risk. The Company has following policies to mitigate this risk: Decisions regarding borrowing in Foreign Currency and hedging thereof, and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract after taking into consideration the anticipated Foreign exchange inflows/ outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

The company's exposure to foreign currency risk (Un –hedged) as detailed below:

Currency (Amount in Rs.)

Currency	Trade Payables	Trade and other receivables		
In USD				
As at 31-03-2019	Nil	14,98,545.00	69.50	104148895
As at 31-03-2018	Nil	10,15,665.00	65.04	66063016
As at 31-03-2017	Nil	13,02,370.00	64.81	84412330
As at 01-04-2016	Nil	6,53,434.00	66.17	43237728
In EURO				
As at 31-03-2019	Nil	4,89,584.00	79.50	3,8921928
As at 31-03-2018	Nil	8,45,257.00	80.62	68146479
As at 31-03-2017	Nil	8,32,375.00	69.20	57597686
As at 01-04-2016	Nil	14,28,414.00	75.36	107645279

EURO LEDER FASHION LIMITED

Foreign currency sensitivity analysis

Currency	As at March 31, 2019	Sensitivity +1%	Sensitivity -1%	As at March 31, 2018	Sensitivity +1%	Sensitivity -1%
USD	104148895	1041488	(-104148)	66063016	660630	(66063016)
Euro	3,8921928	389219	(389219)	68146479	681464	(681464)

Cash flow and fair value interest rate risk:

Interest rate risk arises from short term borrowings with variable rates which exposed the Company to cash flow interest rate risk. The Company is exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing, which is mainly addressed through the management of the fixed/floating ratio of financial liabilities. The Company constantly monitors credit markets to strategize a well-balanced maturity profile in order to reduce both the risk of refinancing and large fluctuations of its financing cost.

The Company believes that it can source funds for both short term and long term at a competitive rate considering its strong fundamentals on its financial position.

xiii) Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the Shareholders' wealth. The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus debt.

**For S. RAMAKRISHNAN ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn.No.006637S**

On Behalf of the Board of Directors

**(S.RAMAKRISHNAN)
Partner
Membership No.025936**

**RM.Lakshmanan Smt.Jayamalini
Whole Time Director Director
(DIN: 00039603) (DIN: 0825482)**

**M.Nagendra
Chief Financial Officer**

Note 36: Operating Lease arrangements

Leasing arrangements

Future Non-Cancellable minimum lease commitments

Particulars	(Amount in Rs)	
	31-Mar-19	31-Mar-18
Not later than one year	1,10,71,500	1,18,21,500
Later than one year and not later than five years	-	45,48,000
Later than five years	-	-

Expenses recognised in the Statement of Profit and Loss

Particulars	(Amount in Rs)	
	31-Mar-19	31-Mar-18
Minimum Lease Payments	1,33,73,818.00	11,117,099.00
Sub-lease payments	-	-
Contingent rents (state basis)	-	-

EURO LEDER FASHION LIMITED

EURO LEDER FASHION LIMITED

CIN: L18209TN1992PLC022134

No.99, G.S.T Road, Pallavaram, Chennai – 600043

Tel: 044-42943204 Fax: 044 –42943222 e-mail: euro_leder@yahoo.co.in

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered address:

E-mail Id:

Folio No./Client Id & DP. Id:

I/We, being the Member(s) holdingshares of the above named Company, hereby appoint

1. Name : _____ Address : _____

Email Id : _____ Signature : _____, or failing him

2. Name : _____ Address : _____

Email Id : _____ Signature : _____, or failing him

3. Name : _____ Address : _____

Email Id : _____ Signature : _____,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the company, to be held on Thursday the 26th September, 2019 at 10.00 A.M. at Mahalaya Residency, No.114, GST Road (Opposite to Areva), Pallavaram, Chennai – 600 043 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Resolutions
1	Adoption of Financial Statements, Report of Board of Directors and Auditors thereon for the year ended 31 st March, 2019
2	Appoint a director in place of Shri. RM Lakshmanan (DIN: 00039603) Whole-Time Director, who retires by rotation and being eligible offers himself for re-appointment
3	Appointment of Mr.Avinash Ananthanarayanan (DIN:03561836) as an Independent Director
4	Appointment of Ms. Aishwarya Seshadri Nathan (DIN: 08275482) as Non-Executive Director

Signed this..... day of September 2019

Signature of shareholder

Signature of Proxy holder(s)

Please affix
Re. 1
Revenue
stamp Here

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

EURO LEDER FASHION LIMITED

EURO LEDER FASHION LIMITED

EURO LEDER FASHION LIMITED

CIN: L18209TN1992PLC022134

No.99, G.S.T Road, Pallavaram, Chennai – 600043

Tel: 044-42943204 Fax: 044 –42943222 e-mail: euro_leder@yahoo.co.in

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP ID :	Folio No :
Client Id:	No. of Shares :
Name and Address of the Shareholder :	

I/we hereby record my presence at the 27th Annual general meeting of the Company being held on Thursday, 26th September, 2019, at 10.00 a.m, at Mahalaya Residency, No.114, GST Road, (Opp. Areva) Pallavaram, Chennai - 600 043.

ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence Number (EVSN)	User ID	Password / PIN
	Please enter your DPID/ CL ID/ Folio	Use your existing password or enter your PAN with Bank A/c. No. / Date of Birth

Note : Please refer to the instructions printed under Notes to the Notice of 27th Annual General Meeting. The Voting period starts from 9.00 a.m. on 23rd September, 2019 and ends at 5.00 p.m. (IST) on 25th September, 2019. The voting module shall be disabled by CDSL for voting thereafter.

Signature of Shareholder / Proxy

EURO LEDER FASHION LIMITED

EURO LEDER FASHION LIMITED

Details : Mahalaya Residency

No.114, Great Southern Trunk Rd, Opp. Areva, Pallavaram Chennai 43

Please click : <https://goo.gl/maps/SLJWM2wRMNRRECnQ7>

Location:



Printed Matter

If undelivered please return to;

EURO LEDER FASHION LIMITED,
No.99 G.S.T.Road,
Pallavaram,
Chennai - 600 043