

To,
The Department of Corporate Relations
BSE Limited
P.J. Towers, 25th Floor, Dalal Street,
Mumbai - 400 001

1st Sept, 2020

Dear Sir/Madam,

Ref: Scrip Code: 526468/ ISIN: INE940E01011

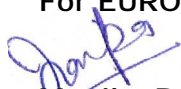
Sub: Submission of Annual Report for the year 2019-20 and Notice convening the 28th AGM as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, we herewith submit the Annual Report of the Company for the financial year 2019-20 along with the Notice convening the 28th Annual General Meeting which is to be held on Wednesday, September 23, 2020 at the Registered Office of the Company at No.10, P.P. Amman Koil Street, Nagalkeni, Chrompet, Chennai - 600 044 through Video Conferencing/Other Audio Visual Means.

Further, we would like to inform that the Company has today commenced dispatch of the Notice of AGM and the Annual Report for the financial year 2019-20, to all its Members.

Kindly take the same on record.
Thanking you,

Yours faithfully,
For EURO LEDER FASHION LIMITED



Monika Rani
Company Secretary



**28th ANNUAL REPORT
2019 - 2020**

EURO LEDER FASHION LIMITED

EURO LEDER FASHION LIMITED

Board of Directors:

1. Mr. S. Rathnavelu	- Whole Time Director (w.e.f 8 th February, 2020)
2. Mrs. Jayamalini	-Director
3. Mr. Avinash Ananthanarayanan	-Director
4. Ms. Aishwarya S Nathan	-Director
5. Mr. Dhansingh Jayapal	-Director (w.e.f 8 th February, 2020)

Chief Financial Officer : Nagendra M

Company Secretary : Monika Rani

Auditors : M/s. S. Ramakrishnan Associates
Chartered Accountants,
1A, Rani Annadurai Street, Raja Annamalaipuram,
Chennai-600028

Registered Office: 10, P.P Amman Koil Street, Nagelkeni, Chrompet, Chennai-600044

Factories : No.11, KM Adam street, Adam Nagar, Nagelkeni, Chrompet, Chennai-44
R.N.Kandigai and Vadadavur, Kacheepuram District-603 403
Tel.044-42943204 / Fax.044-42943222

Registrar
And Share Transfer Agent
Cameo Corporate Services Ltd.,
Subramanian Building" No.1, Club House Road
Chennai - 600 002

Bankers : Canara Bank, Midcorporate Branch, Chennai.

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NOTICE TO MEMBERS

Notice is hereby given that the **TWENTY EIGHTH ANNUAL GENERAL MEETING** of the Members of **EURO LEDER FASHION LIMITED (CIN: L18209TN1992PLC022134)** will be held on Wednesday, 23rd September, 2020 at 10.30 A.M. through Video Conferencing/Other Audio Visual Means ("VC/OAVM") facility to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended March 31, 2020 together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms.Aishwarya Seshadri Nathan (DIN: 08275482) Director who retires by rotation and being eligible offers herself for reappointment.

SPECIAL BUSINESS:

3. Appointment of Mr.Dhansingh Jayapal (DIN: 08686718) 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 pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Mr. Dhansingh Jayapal (DIN: 08686718), who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Independent Non-Executive Director of the Company with effect from 8th February, 2020 to hold office for a term of three consecutive years i.e. upto 7th February, 2023.

RESOLVED FURTHER THAT Board of Directors /Whole Time Director/Company Secretary 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 Mr.S Rathnavelu (DIN:08692379) as Whole Time Director and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and rules, circulars, orders and notifications issued there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr.S Rathnavelu (DIN: 08692379), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 8th February, 2020 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at the Annual General Meeting, be and is hereby appointed as a Director of the company.

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, rules, circulars, orders and notifications issued there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the approval of the Members of the Company be and is hereby accorded for appointment of Mr. S Rathnavelu (DIN: 08692379) as Whole Time Director of the Company for a term of

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one year effective from 8th February, 2020 to 7th February, 2021 on the terms and conditions of appointment and remuneration as recommended by the Nomination and Remuneration committee, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or Remuneration as it may deem fit and as may be acceptable to Mr.S Rathnavelu.

“RESOLVED FURTHER THAT Board of Directors / Whole Time Director / Company Secretary 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”.

Date: 13thAugust, 2020
Place: Chennai

**By Order of the Board of Directors
Euro Leder Fashion Limited**

**S.Rathnavelu
Whole Time Director
(DIN: 08692379)**

CIN: L18209TN1992PLC022134
Regd office: 10, P.P Amman Koil Street, Nagelkeni,
Chrompet, Chennai-600044
Website: www.euroleder.com

IMPORTANT NOTES:

1. Explanatory statement pursuant to section 102 (1) of the Companies Act, 2013 in respect of the items of the Special Business as set out above is annexed hereto.
2. General instructions for accessing and participating in the 28th AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting
 - a) In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, issued by the Ministry of Corporate Affairs (“MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India (“SEBI Circular”) and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 28th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a Common venue. The deemed venue for the 28th AGM shall be the Registered Office of the Company.
 - b) In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 28th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 28th AGM through VC/OAVM Facility and e-Voting during the 28th AGM.
 - c) In line with the MCA Circulars and SEBI Circular, the Notice of the 28th AGM will be available on the website of the Company at www.euroleder.com, on the website of BSE Limited at www.bseindia.com and also on the website of CDSL at www.evotingindia.com
 - d) Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice
 - e) CDSL will be providing facility for voting through remote e-Voting, for participation in the 28th AGM through VC/OAVM Facility and e-Voting during the 28th AGM.

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- f) Members may join the 28th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 10.00 a.m. i.e. 30 minutes before the time scheduled to start the 28th AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 28th AGM.
 - g) Members may note that the VC/OAVM Facility, provided by CDSL, allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, statutory auditors can attend the 28th AGM without any restriction on account of first-come first- served principle.
 - h) Attendance of the Members participating in the 28th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act
 - i) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 28th AGM and facility for those Members participating in the 28th AGM to cast vote through e-Voting system during the 28th AGM.
3. The instructions for shareholders voting electronically are as under:
- i) The remote e-voting period begins on 20th September, 2020 at 10.00 a.m. (IST) and ends on 22nd September, 2020 at 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 i.e 16th September, 2020 may cast their votes electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter
 - ii) Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the Meeting venue since this time AGM is conducting through Video conference the shareholders who are not voted in the **e-voting** period shall vote in AGM through remote **E-Voting**.
 - iii) The shareholders should log on to the e-voting website: www.evotingindia.com
 - iv) Click on "Shareholders" tab.
 - v) Now, select the "Company Name" from the drop down menu and click on "Submit"
 - vi) 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
 - vii) Next enter the Image Verification as displayed and Click on Login.
 - viii) 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.

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(ix) 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 (iv). Dividend Bank Details means Bank account number which is recorded in the demat account.

- x) After entering these details appropriately, click on “SUBMIT” Tab.
- xi) 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.
- xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xiii) Click the EVSN for the relevant <Company Name> on which you choose to vote. In this case, it would be Euro Leder Fashion Limited.
- xiv) 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.
- xv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xvi) 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.
- xvii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xviii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

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- xix) If Demat account holder has forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system
- xx) 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, iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xxi) Note for Non-Individual Shareholders and Custodians:
- Non-Individual Shareholders/Institutional 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 a Compliance User 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.
- xxii) 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 or call on 18002005533
4. The Register of Members and Share Transfer Books of the Company will remain closed from 17th September, 2020 to 23rd September, 2020 (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. The Shares of the Company have been activated for Dematerialization with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vide ISIN: INE 940E01011 Members opt to dematerialize their shares may approach any Depository Participant (DP).
 9. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 28th AGM and the Annual Report for the year 2020 including therein the Audited Financial Statements for year 2020, are being sent only by email to the Members.

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10. Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 28th AGM and the Annual Report for the year 2020 and all other communication sent by the Company, from time to time, can get their email address with the Company and or share transfer Agent, M/s. Cameo Corporate Services Limited
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agent, M/s. Cameo Corporate Services Limited.
12. Members may also note that the Notice of the 28th Annual General Meeting and the Annual Report for the year 2019-20 will also be available on the Company's website www.euroleder.com for their download
13. Mr. Amresh Kumar, proprietor of M/s. Amresh & Associates, Company Secretary Practice has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.
14. During the 28th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 28th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 28th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 28th AGM
15. The Scrutinizer shall after the conclusion of e-Voting at the 28th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 hours from the conclusion of the 28th AGM.
16. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.euroleder.com and shall also be immediately forwarded to the BSE Limited.
- 17. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**
 - a) Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder login where the EVSN of Company will be displayed.
 - b) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 - c) Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

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- e) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at **m_nagendra@euroleder.com**. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at **m_nagendra@euroleder.com**. These queries will be replied to by the company suitably by email.
- f) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

18. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

- a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- b) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- c) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- d) If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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 or contact Mr.Nitin Kunder (022-23058738) or Mr.Mehboob Lakhani (022-23058543) or Mr.Rakesh Dalvi (022-23058542).
- e) All grievances connected with the facility for voting by electronic means may be addressed to Mr.Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43

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EXPLANATORY STATEMENT

Item No.3:

The Board of Directors, on recommendation of Nomination and Remuneration Committee, at their meeting held on 8th February, 2020 appointed Mr. Dhansingh Jayapal (DIN: 08686718), as an Independent Non-executive Director of the Company under section 149 of the Companies Act, 2013 for a term of 3 consecutive years from February 8, 2020 to February 7, 2023. His appointment is subject to approval of the shareholders. A notice has been received from a Member proposing Mr. Dhansingh Jayapal as a candidate for the office of Director of the Company. He shall be paid sitting fees for attending the Meetings of the Board or any committees thereof

The Company has received declarations from Mr. Dhansingh Jayapal (DIN: 08686718), 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. Dhansingh Jayapal (DIN: 08686718), 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

Except Mr. Dhansingh Jayapal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of 28th AGM.

Item No.4:

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 8th February, 2020 appointed Mr S Rathnavelu (DIN:08692379) as an Additional Director of the Company with effect from 8th February, 2020 under section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company, he holds office up to the date of the Annual General Meeting of the Company

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 his candidature for the office of Directors. He shall not be paid sitting fees for attending the Meetings of the Board or any committees thereof

Further, at the same meeting held on 8th February, 2020 the Board of Directors appointed Mr S Rathnavelu as a Whole-Time Director of the Company for a term of one year effective from 8th February, 2020 until 7th February 2021, subject to approval of the Shareholders at the Annual General Meeting.

The approval of Members is being sought to the terms, conditions and stipulations for the appointment of Mr S Rathnavelu as a Whole-Time Director for a term of one year effective from 8th February, 2020 until 7th February 2021 and the remuneration payable to him. The terms and conditions proposed are keeping in line with the company policy

EURO LEDER FASHION LIMITED

Further the current directorships of the above Director and other details are provided in the Annexure to this Notice. The material terms of appointment and remuneration as contained in the draft agreement are given below: -

Basic Salary: Rs. 91,000/- per month
House Rent Allowances: 39,000/- per month

Increments shall be as per the Company's policy and as may be determined by Board of Directors, from time to time, subject to a ceiling on increment minimum of 10% in a year

Perquisites:

In addition to the Remuneration as stated above, Mr S Rathnavelu shall be entitled, as per Rules of the Company, to perquisites like:

- a) Car with Driver exclusive use for official purpose
- b) Credit Card provided by employer only for business purpose
- c) Contributions to Gratuity as per Gratuity Act, superannuation or annuity fund and any other retirement benefits.
- d) Such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Mr S Rathnavelu.

The Board of Directors or Committee thereof may, in their discretion, revise/modify any of the terms from time to time, within the limits stipulated. 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

Except Mr S Rathnavelu, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of 28th AGM.

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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	Mr. Dhansingh Jayapal	Mr.S Rathnavelu
DIN	08686718	08692379
Date of First Appointment and Qualification	08.02.2020 MPHIL- Faculty of Management	08.02.2020 MBA
Date of Birth	11/01/1982	12/08/1973
Expertise in specific functional areas	Wide experience in Accounts, Finance and Hotel Management	Wide experience in leather industries
Directorships held in other Public/private Companies (excluding foreign Companies and Section 8 companies)	Nil	Nil
Committee / Executive position held in other companies	Nil	Nil
Number of shares held in the Company	Nil	Nil
Relationship with 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: 13th August, 2020

By Order of the Board Of Directors
For Euro Leder Fashion Limited

S. Rathnavelu
Whole Time Director
(DIN: 08692379)

CIN: L18209TN1992PLC022134
Regd office: 10, P.P Amman Koil Street, Nagelkeni,
Chrompet, Chennai-600044
Website: www.euroleder.com

EURO LEDER FASHION LIMITED

DIRECTORS REPORT TO THE MEMBERS

Your Directors have pleasure in presenting to you their 28th Annual Report together with the Audited accounts of the Company for the year ended 31st March, 2020 and the Auditors' Report thereon

1. FINANCIAL RESULTS:

The summarized working results for the year ended 31.03.2020 as compared with the earlier year are as under:

(Rs. in lakhs)

PARTICULARS	For the year 2019-2020	For the year 2018-2019
Total Income	6299.08	8105.03
Less: Total Expenses	6219.13	8007.14
Profit before Depreciation and Taxation	126.26	145.20
Less: Depreciation	46.30	47.31
Profit before Tax	79.96	97.89
Provision for Tax	31.98	56.15
Profit after Tax	47.97	41.74
Profit brought forward	881.77	840.03
Profit available for appropriation	929.75	881.77
Profit/Loss carried to Balance Sheet	929.75	881.77

2. PERFORMANCE:

The Company has earned a total income of Rs.6299.08 Lakhs during the year 2019-20 and made a profit before tax of Rs.79.96 Lakhs. The total profit after tax for the year 2019-20 is Rs.47.97 Lakhs compared to Rs.41.74 Lakhs in 2018-19.

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 has not recommended any dividend for the year.

5. TRANSFER TO RESERVE

Your Directors do not propose to transfer any amount to the reserves.

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 share Capital remained the same as previous year. However, the company during the year had received an amount of Rs.18,000/- towards the calls in arrears and the Paid Up capital as on 31st March, 2020 is Rs.3,90,98,250/-.

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, 2020. 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.153.08 Lakhs in Canara Rebeco Gold Saving Fund during the year which is within the limits specified under section 186 of the Act. For details of investments, please refer the financial statements of the Company.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of the Company consists of Five Directors out of which three are non- executive Independent Directors one is non-executive Director and one executive Whole Time Director.

Mr. R.M Lakshmanan, has stepped down as whole time Director of the Company with effect from 8th February, 2020 due to disqualified as Director by Registrar of Companies, Chennai under section 164(2) of the Companies Act, 2013. The Directors wish to place on record their appreciation for the contribution made by Mr. R.M Lakshmanan for more than two decades as a distinguished Executive Whole Time Director of the Company.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 8th February, 2020 appointed Mr S Rathnavelu as an Additional Director of the Company with effect from 8th February, 2020 under section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company, he holds office up to the date of the Annual General Meeting of the Company

On the recommendation of the Nomination and Remuneration Committee the Board of Directors at their meeting held on 8th February, 2020 appointed Mr S Rathnavelu as a Whole-Time Director of the Company for a term of one year effective from 8th February, 2020 until 7th February 2021, subject to approval of the Shareholders at this Annual General Meeting.

The Board of Directors, on recommendation of Nomination and Remuneration Committee, at their meeting held on 8th February, 2020 appointed Mr. Dhansingh Jayapal as an Independent Non- executive Director of the Company under section 149 of the Companies Act, 2013 for a term of 3 consecutive years from February 8, 2020 to February 7, 2023. His appointment is subject to approval of the shareholders at this Annual General Meeting.

The Board of Directors, on recommendation of Nomination and Remuneration Committee, at their meeting held on 19th August, 2019 appointed Mrs. Monika Rani as Company Secretary of the Company with effect from 1st August, 2019 pursuant to Section 203 and 205 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014. Mrs Monika Rani is one of the whole time Key Managerial Personnel of the Company

EURO LEDER FASHION LIMITED

11. BOARD MEETINGS:

Five Board Meetings were held during the financial year end on 25th May, 2019, 25th July, 2019, 19th August, 2019, 02nd November, 2019 and 8th February 2020. 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
Mr. RM. Lakshmanan *	Executive, Whole time Director	5	4	Yes
Mr.Avinash Ananthanarayanan	Director, Non executive Independent	5	4	No
Mrs.Jayamalini	Director, Non executive Independent	5	5	Yes
Ms.Aishwarya S Nathan	Director, Non executive	5	4	No
Mr.Dhansingh Jayapal#	Director, Non executive Independent	5	1	No
Mr. S Rathnavelu \$	Executive, Whole time Director	5	1	No

*Mr. RM Lakshmanan has been disqualified as Director by Registrar of Companies, Chennai under section 164(2) of the Companies Act, 2013 for non- filling of Financial Statements and Annual Returns by another Company named, Leder Trendz Private Limited, where he was a Director. Subsequently, Mr. R.M Lakshmanan has resigned from the Company as Whole Time Director of the Company with effect from 8th February, 2020

Mr. Dhansingh Jayapal has been appointed as an additional Director with effect from 8th February, 2020.

\$ Mr. S Rathnavelu has been appointed as additional Director (Whole Time) with effect from 8th February, 2020.

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 three (3) 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). Four Audit Committee Meetings were held during the financial year end on 25th May, 2019, 25th July, 2019, 02nd November, 2019 and 8th February 2020.

The Audit Committee was reconstituted and Mr. Dhansingh Jayapal, Independent Non-Executive Director, was appointed as member of the Audit Committee with effect from 8th February 2020.

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All the recommendations made by the Audit Committee were accepted by the Board of Directors.

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	Category	Status	Meetings	
			Held	Attended
Mr.Avinash Ananthanarayanan	Independent Director	Chairman	4	4
Mrs.Jayamalini	Independent Director	Member	4	4
Mr. Dhansingh Jayapal #	Independent Director	Member	4	1

Mr. Dhansingh Jayapal has been appointed as Member of the Committee with effect from 8th February, 2020.

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 three times during the year on 25th July, 2019, 19th August, 2019 and 8th February, 2020 to determine and recommend the appointment/reappointment of Directors including whole time Directors, Company Secretary of the Company and Remuneration payable to the whole time Director

The Nomination and Remuneration Committee was reconstituted and Mr. Dhansingh Jayapal, Independent Non-Executive Director, was appointed as member of the Nomination and Remuneration Committee with effect from 8th February, 2020.

The present Nomination and Remuneration Committee Comprises of the following Members and the details of the meeting and directors attendance are as follows:-

SI No.	Name of the Member	Category	Status	Meetings	
				Held	Attended
1	Mrs Jayamalini	Independent Director	Chairman	3	3
2	Ms.Aishwarya S Nathan	Non- executive Director	Member	3	3
3	Mr. Dhansingh Jayapal #	Independent Director	Member	3	1

Mr. Dhansingh Jayapal has been appointed as Member of the Nomination and Remuneration Committee with effect from 8th February, 2020.

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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 4 times during the financial year end on 26th April 2019, 21st June 2019, 09th August 2019 and 24th January 2020 which was attended by Members of the Committee. During the year under review, the Company has received one grievance / complaint and same has been resolved .

The Stake Holders Relationship Committee was reconstituted and Mr. Dhansingh Jayapal, Independent Non-Executive Director, was appointed as Chairman of Stake Holders Relationship Committee with effect from 8th February, 2020

Mr.S Rathnavelu has been appointed as Member of the Stake Holders Relationship Committee with effect from 8th February, 2020 in place of Mr. R.M Lakshmanan, who ceased to be Chairman of Stake Holders Relationship Committee upon his disqualification as Director of the Company

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

SI No.	Name of the Member	Category	Status	Meetings	
				Held	Attended
1	Mr. Dhansingh Jayapal #	Independent Director	Chairman	4	-
2	Ms.Aishwarya S Nathan	Non- executive Director	Member	4	4
3	Mr. S Rathnavelu *	Whole Time Director	Member	4	-
4	Mr. RM Lakshmanan ##	Whole Time Director	Chairman	4	3

Mr. Dhansingh Jayapal has been appointed as Chairman of the Committee with effect from 8th February, 2020.

* Mr. S Rathnavelu has been appointed as Member of the Committee with effect from 8th February, 2020.

Mr. R.M Lakshmanan has resigned from the Company as Whole Time Director of the Company with effect from 8th February, 2020

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;

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- 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.
- 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 a 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 Meeting of the Company

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. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company. The remuneration paid for the financial year 2019-20 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 Company has appointed Amresh & Associates, Practicing Company Secretary as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2020.

The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder. The Secretarial Auditors have confirmed they are not disqualified to be appointed as the Secretarial Auditors of the Company for the year ending 31st March, 2020. The Secretarial Audit Report is attached with this report as **Annexure- A**.

The Secretarial Audit Report is self-explanatory and do not call for any further comments. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review, the Secretarial Auditors had not reported any matter under Section 143 (12) of the Act therefore no detail is required to be disclosed under Section 134 of the Act

EURO LEDER FASHION LIMITED

19. EXTRACTS OF THE ANNUAL RETURN:

As per the requirements of Section 134 (3)(a) read with Section 92(3) of the Companies Act, 2013 and Rules framed thereunder, the extract of the annual return for FY 2019-20 is given in **Annexure-B** in the prescribed Form No.MGT-9, which is a part of this report.

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. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length. All related party transactions are placed before the Audit Committee for review and approval. 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.

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27. LISTING WITH STOCK EXCHANGE:

The company confirms that it has paid the Annual Listing Fees for the year 2020-21 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, its 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:

During the Financial Year, your Company has complied with applicable Secretarial Standards i.e. SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively

33. CERTIFICATE UNDER REGULATION 34 OF SEBI (LODR) REGULATIONS, 2015

Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a certificate received from a Company Secretary in practice is enclosed as **Annexure- F**

EURO LEDER FASHION LIMITED

34.GENERAL SHAREHOLDER INFORMATION:

In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, issued by the Ministry of Corporate Affairs (“MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India (“SEBI Circular”) and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 28th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 28th AGM shall be the Registered Office of the Company

Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 28th AGM and the Annual Report for the year 2020 including therein the Audited Financial Statements for year 2020, are being sent only by email to the Members. In line with the MCA Circulars and SEBI Circular, the Annual report of the company will be available on the website of the Company at www.euroleder.com and on the website of BSE Limited at www.bseindia.com

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.

Members are requested to read the general instructions for accessing and participating in the 28th AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting as set out in the Notice of 28th AGM

35.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.

36. CHANGE OF REGISTERED OFFICE

The Members may please note that the Board of Directors at their meeting held on 2nd November, 2019 approved the change of Registered Office of the Company to 10, PP.Amman Koil Street, Nagelkeni, Chrompet, Chennai– 600044 where your factory is located for operational convenience. Members’ approval was not required as per the provisions of Section 12 of the Companies Act, 2013 as the same was within local limits of city, town or village. The compliance under Companies Act, 2013 for change in registered office has been compiled with

37. DISQUALIFICATION OF DIRECTORS

As a good governance practice it is informed to the Member that during Financial Year ending on 31st March, 2020 Mr. Ramanathan Lakshmanan (DIN:00039603), who has been debarred/disqualified by Registrar of Companies, Chennai under section 164(2) of the Companies Act, 2013 for a period of 5 years for non- filing of Financial Statements and Annual Returns by a Company named, Leder Trendz Private Limited, where he was a Director. Accordingly, Mr. Ramanathan Lakshmanan has stepped down as whole time Director of the Company with effect from 8th February, 2020

EURO LEDER FASHION LIMITED

38. SUSPENSION OF TRADING

The Trading of securities of the Company has been suspended w.e.f 14th February, 2018 for Non-submission of Annual report for two consecutive years and in view of the same, the Company has complied such non-compliance immediately and has requested to BSE for revocation of suspension of shares. Company's request for revocation of suspension of securities is under consideration.

39. NON APPLICABILITY OF STATEMENT OF DEVIATION(S) OR VARIATION(S) UNDER REGULATION 32 OF SEBI (LODR) REGULATION, 2015

Your Company confirms that there has been no deviation(s) or variation(s) in the use of the public issue proceeds raised from the Initial Public Offer (IPO) as required to be disclosed under Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company also submit and state that the IPO proceeds has been utilized for the purpose (s) as stated in the prospectus. Hence, the Statement of deviation(s) or variation(s) is not applicable to the Company.

40. CAUTIONARY STATEMENT:

Statements in "Management Discussion & Analysis" which seek to describe the Company's objectives, projections, estimates, expectations or predictions may be considered to be "forward looking statements" within the meaning of applicable securities laws 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 and Indian demand-supply conditions, finished goods prices, stock availability and prices, cyclical demand and pricing in the company's markets, changes in the government regulations, tax regimes, economic developments within India and countries with which the company conducts business besides other factors, such as litigation and other labour negotiations.

Part C , D & E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are not applicable since the company was having paid up equity share capital not exceeding rupees ten crores and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year.

Part F Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - Disclosures with respect to demat suspense account/ unclaimed suspense Account – There are no shares outstanding in demat suspense account or unclaimed suspense account.

41. 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: 13th August, 2020

S.Rathnavelu
Whole Time Director
(DIN: 08692379)

Mrs. Jayamalini
Director
(DIN:07165811)

EURO LEDER FASHION LIMITED

ANNEXURE - A

Secretarial Audit Report (For the Year ended 31 March, 2020)

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
No. 10, P.P Amman Koil Street, Nagelkeni,
Chromepet, Chennai,-600044

I have conducted the secretarial audit of the compliance of the applicable statutory provisions and adherence to good corporate practices by **Euro Leder Fashion Limited (CIN: L18209TN1992PLC022134)**. The Company has Authorised Capital of Rs. 5,00,00,000/- and paid up capital of Rs. 3,90,98,250/-. The Company is listed with the BSE Limited with scrip code-526468 and ISIN- INE940E01011. 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 our verification of Euro Leder Fashion Limited's 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 its financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also 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 A

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulations) Act, 1956 ("SCRA") and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye- Laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment
- 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009;
 - c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and
 - e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - f) The Memorandum and Articles of Association: During the year under review the Company has complied with provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

EURO LEDER FASHION LIMITED

- vi) Other Laws applicable to the Company
- a) The Factories Act 1948
 - b) The Industrial Dispute Act 1947
 - c) The Payment of wages Act 1936
 - d) The Minimum Wages Act 1948
 - e) The Employees State Insurance Act, 1948
 - f) The Employees' Provident Fund and Miscellaneous Provision Act, 1952
 - g) The payment of bonus Act, 1965
 - h) The Payment of Gratuity Act, 1972
 - i) The Contract Labour Abolition Act 1970
 - j) The Maternity Benefit Act 1961
 - k) The Child Labour (Prohibition and Regulation) Act 1986
 - l) The Industrial Employment (Standing Orders) Act 1946
 - m) The Income Tax Act, 1961
 - n) Shops and Establishments Act, 1948
 - o) The Customs Act, 1962
 - p) The Apprentice Act, 1961
 - q) The Finance Act
 - r) The Equal Remuneration Act, 1976
 - s) The Employment Exchange (Compulsory Notification of Vacancies Act) 1956

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

- (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
- (ii) The Listing agreements entered by the company with BSE Limited

- vii) During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above except to the extent mentioned below:

I further report that:

- Ø Subject to my observations the Board of Directors of the Company in general is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in 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.
- Ø 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 clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- Ø All decisions of the Board and Committees thereof were carried out with requisite majority.
- Ø The Company has obtained all necessary approvals under the various provisions of the Act;
- Ø 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;
- Ø 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.
- Ø Trading of securities of the Company has been suspended w.e.f 14th February, 2018 by BSE Limited due to penal action for Non-submission of Annual report for two consecutive years i.e. 2016 and 2017

EURO LEDER FASHION LIMITED

The Company has cleared such penalties amount and has requested the BSE for revocation of suspension of shares. Company's request for revocation of suspension of shares is under consideration.

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.

I further report that 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: New Delhi
Date: 10th July, 2020

For Amresh & Associates
(Company Secretaries)

Amresh Kumar
Proprietor
ACS 32262, C.P No. 22067
UDIN:A032262B000440725

Annexure- 1 to the Secretarial Audit Report of even date

To,
The Members
Euro Leder Fashion Limited
No. 10, P.P Amman Koil Street, Nagelkeni,
Chromepet, Chennai,-600044

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

- 1) Maintenance of secretarial record 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 Secretarial records. The verification was done on test basis to ensure the correct facts as reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my report.
- 3) I have not verified the correctness and appropriateness of financial records and Book of Accounts of the company.
- 4) I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, wherever required.
- 5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management:My examination was limited to the verification of procedures on test basis.
- 6) 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.
- 7) The Secretarial Audit report is neither an assurance 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: New Delhi
Date: 10th July, 2020

For Amresh & Associates
(Company Secretaries)

Amresh Kumar
Proprietor
ACS 32262, C.P No. 22067
UDIN:A032262B000440725

Annexure - B

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

financial year ended on 31/03/2020

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	10, PP.Amman Koil Street.Nagelkeni, Chrompet, Chennai- 600044 Tel: 044-42943204 / 42943203 / 42943202 (Registered Office shifted to the above address vide the Board of Directors approval on 2 nd November, 2019)
(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	91%

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 01-April-2019)				No. of shares held at the end of the year (As on 31-March-2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	1473193	352100	1825293	40.8014	1823193	2100	1825293	40.8014	0.0000
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)	1473193	352100	1825293	40.8014	1823193	2100	1825293	40.8014	0.0000
(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)	1473193	352100	1825293	40.8014	1823193	2100	1825293	40.8014	0.0000

EURO LEDER FASHION LIMITED

IV. SHARE HOLDING PATTERN (EQUITY)

Category of Shareholders	No. of shares held at the beginning of the year (As on 01-April-2019)				No. of shares held at the end of the year (As on 31-March-2020)				% 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	16917	0	16917	0.3781	10278	0	10278	0.2297	-0.1484
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	636642	1360496	1997138	44.6427	643871	1353396	1997267	44.6456	0.0028
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	372475	129500	501975	11.2208	379085	129500	508585	11.3685	0.1477
c) Others (specify)									
Clearing Member	0	0	0	0	0	0	0	0	0
Hindu Undivided Families	49944	0	49944	1.1164	50944	0	50944	1.1387	0.0223
Non Resident Indians	27733	36400	64133	1.4335	27133	35900	63033	1.4089	-0.0245
Any Others	0	500	500	0.0111	0	500	500	0.0111	0.0000
Total	77677	36900	114577	2.5611	78077	36400	114477	2.5589	-0.0022
Sub-total (B)(2):-	1103711	1526896	2630607	58.8029	1111311	1519296	2630607	58.8029	0.0000
Total Public Shareholding (B)=(B)(1)+(B)(2)	1103711	1544596	2648307	59.1985	1111311	1536996	2648307	59.1985	0.0000
TOTAL (A)+(B)	2576904	1896696	4473600	100.0000	2934504	1539096	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)	2576904	1896696	4473600	100.0000	2934504	1539096	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	LAKSHMANAN RM	1069595	23.9090	0.0000	1069595	23.9090	0.0000	0.0000
1	RM LAKSHMANAN	159700	3.5698	0.0000	0	0.0000	0.0000	-3.5698
1	LAKSHMANAN RM	8700	0.1944	0.0000	0	0.0000	0.0000	-0.1944
1	LAKSHMANAN RM	0	0.0000	0.0000	204334	4.5675	0.0000	4.5675
2	ARUN RAMANATHAN	134500	3.0065	0.0000	134500	3.0065	0.0000	0.0000
2	ARUN RM	1800	0.0402	0.0000	1800	0.0402	0.0000	0.0000
2	ARUN RM	100	0.0022	0.0000	100	0.0022	0.0000	0.0000
3	MEENAL RM	97900	2.1883	0.0000	107900	2.4119	0.0000	0.2235
3	MEENAL RM	10000	0.2235	0.0000	0	0.0000	0.0000	-0.2235
4	RAMANATHAN L	92400	2.0654	0.0000	126133	2.8194	0.0000	0.7540
4	RAMANATHAN L	33733	0.7540	0.0000	0	0.0000	0.0000	-0.7540
5	L SHWETHA	90033	2.0125	0.0000	0	0.0000	0.0000	-2.0125
5	SHWETHA L	0	0.0000	0.0000	90033	2.0125	0.0000	2.0125
6	MEENAL L	58457	1.3067	0.0000	58457	1.3067	0.0000	0.0000
7	LAKSHMANAN RM	35934	0.8032	0.0000	0	0.0000	0.0000	-0.8032
8	A R RAMANATHAN	15341	0.3429	0.0000	15341	0.3429	0.0000	0.0000
8	AR RAMANATHAN	11200	0.2503	0.0000	0	0.0000	0.0000	-0.2503
8	RAMANATHAN AR	600	0.0134	0.0000	0	0.0000	0.0000	-0.0134
8	RAMANATHAN AR	0	0.0000	0.0000	11900	0.2660	0.0000	0.2660
9	RAKKAYE ANNAMALAI	5000	0.1117	0.0000	5000	0.1117	0.0000	0.0000
10	NARAYAN S	200	0.0044	0.0000	200	0.0044	0.0000	0.0000
11	RAMANATHAN AR C/O EURO INVESTMENTS	100	0.0022	0.0000	0	0.0000	0.0000	-0.0022

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-2019	1069595	23.9090	1069595	23.9090
	At the end of the Year 31-Mar-2020	1069595	23.9090	1069595	23.9090
1	RM LAKSHMANAN				
	At the beginning of the year 01-Apr-2019	159700	3.5698	159700	3.5698
	Sale 14-Feb-2020	-159700	3.5698	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
1	LAKSHMANAN RM				
	At the beginning of the year 01-Apr-2019	8700	0.1944	8700	0.1944
	Sale 14-Feb-2020	-8700	0.1944	0	0.0000
	At the end of the Year 31-Mar-2020	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
1	LAKSHMANAN RM				
1	LAKSHMANAN RM				
	At the beginning of the year 01-Apr-2019	0	0.0000	0	0.0000
	Demated 14-Feb-2020	204334	4.5675	204334	4.5675
	At the end of the Year 31-Mar-2020	204334	4.5675	204334	4.5675
2	ARUN RAMANATHAN				
	At the beginning of the year 01-Apr-2019	134500	3.0065	134500	3.0065
	At the end of the Year 31-Mar-2020	134500	3.0065	134500	3.0065
2	ARUN RM				
	At the beginning of the year 01-Apr-2019	1800	0.0402	1800	0.0402
	At the end of the Year 31-Mar-2020	1800	0.0402	1800	0.0402
2	ARUN RM				
	At the beginning of the year 01-Apr-2019	100	0.0022	100	0.0022
	At the end of the Year 31-Mar-2020	100	0.0022	100	0.0022
3	MEENAL RM				
	At the beginning of the year 01-Apr-2019	97900	2.1883	97900	2.1883
	Demated 14-Feb-2020	10000	0.2235	107900	2.4119
	At the end of the Year 31-Mar-2020	107900	2.4119	107900	2.4119
4	RAMANATHAN L				
	At the beginning of the year 01-Apr-2019	92400	2.0654	92400	2.0654
	Demated 26-Apr-2019	33733	0.7540	126133	2.8194
	At the end of the Year 31-Mar-2020	126133	2.8194	126133	2.8194
5	L SHWETHA				
	At the beginning of the year 01-Apr-2019	90033	2.0125	90033	2.0125
	Sale 15-Nov-2019	-90033	2.0125	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
5	SHWETHA L				
	At the beginning of the year 01-Apr-2019	0	0.0000	0	0.0000
	Demated 15-Nov-2019	90033	2.0125	90033	2.0125
	At the end of the Year 31-Mar-2020	90033	2.0125	90033	2.0125
7	A R RAMANATHAN				
	At the beginning of the year 01-Apr-2019	15341	0.3429	15341	0.3429
	At the end of the Year 31-Mar-2020	15341	0.3429	15341	0.3429
7	AR RAMANATHAN				
	At the beginning of the year 01-Apr-2019	11200	0.2503	11200	0.2503
	Sale 19-Apr-2019	-8300	0.1855	2900	0.0648
	Sale 13-Mar-2020	-2900	0.0648	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
7	RAMANATHAN AR				
	At the beginning of the year 01-Apr-2019	600	0.0134	600	0.0134
	Sale 19-Apr-2019	-600	0.0134	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
7	RAMANATHAN AR				
	At the beginning of the year 01-Apr-2019	0	0.0000	0	0.0000
	Demated 19-Apr-2019	8900	0.1989	8900	0.1989
	Purchase 13-Mar-2020	3000	0.0670	11900	0.2660
	At the end of the Year 31-Mar-2020	11900	0.2660	11900	0.2660

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
8	RAKKAYE ANNAMALAI				
	At the beginning of the year 01-Apr-2019	5000	0.1117	5000	0.1117
	At the end of the Year 31-Mar-2020	5000	0.1117	5000	0.1117
9	NARAYAN S				
	At the beginning of the year 01-Apr-2019	200	0.0044	200	0.0044
	At the end of the Year 31-Mar-2020	200	0.0044	200	0.0044
10	RAMANATHAN AR C\O EURO INVESTMENTS				
	At the beginning of the year 01-Apr-2019	100	0.0022	100	0.0022
	Sale 13-Mar-2020	-100	0.0022	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000

D) Shareholding Pattern of top ten Shareholders:

S.No		Shareholding at the beginning of the year (as on 01.04.2019)		Cumulative Share holding during the year (01.04.2019 – 31.03.2020)	
		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-2019	133450	2.9830	133450	2.9830
	Sale 08-Nov-2019	-133450	2.9830	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
2	INDRA CHIDAMBARAM JT1 : MEENAKSHISUNDARM CHIDAMBARAM				
	At the beginning of the year 01-Apr-2019	99300	2.2196	99300	2.2196
	At the end of the Year 31-Mar-2020	99300	2.2196	99300	2.2196
3	MITA DIPAK SHAH JT1 : DIPAK KANAYALAL SHAH JT2 : SHARAD KANAYALAL SHAH				
	At the beginning of the year 01-Apr-2019	37827	0.8455	37827	0.8455
	At the end of the Year 31-Mar-2020	37827	0.8455	37827	0.8455
4	SANJAY SURESH KHEDKAR				
	At the beginning of the year 01-Apr-2019	33168	0.7414	33168	0.7414
	At the end of the Year 31-Mar-2020	33168	0.7414	33168	0.7414

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
5	MANGALA SADAVARTE At the beginning of the year 01-Apr-2019	27700	0.6191	27700	0.6191
	Purchase 13-Dec-2019	5610	0.1254	33310	0.7445
	Purchase 10-Jan-2020	1000	0.0223	34310	0.7669
	At the end of the Year 31-Mar-2020	34310	0.7669	34310	0.7669
5	MANGALASADASHIV SADAVARTE At the beginning of the year 01-Apr-2019	5610	0.1254	5610	0.1254
	Sale 13-Dec-2019	-5610	0.1254	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
6	P P ZIBI JOSE At the beginning of the year 01-Apr-2019	22258	0.4975	22258	0.4975
	At the end of the Year 31-Mar-2020	22258	0.4975	22258	0.4975
7	BABULAL JAIN At the beginning of the year 01-Apr-2019	19517	0.4362	19517	0.4362
	At the end of the Year 31-Mar-2020	19517	0.4362	19517	0.4362
8	PALANIAPPAN SP At the beginning of the year 01-Apr-2019	18800	0.4202	18800	0.4202
	At the end of the Year 31-Mar-2020	18800	0.4202	18800	0.4202
9	Y GOKUL At the beginning of the year 01-Apr-2019	17162	0.3836	17162	0.3836
	At the end of the Year 31-Mar-2020	17162	0.3836	17162	0.3836
10	REKHA At the beginning of the year 01-Apr-2019	15883	0.3550	15883	0.3550
	At the end of the Year 31-Mar-2020	15883	0.3550	15883	0.3550
	NEW TOP 10 AS ON (31-Mar-2020)				
11	SANGEETHA S At the beginning of the year 01-Apr-2019	0	0.0000	0	0.0000
	Purchase 08-Nov-2019	133450	2.9830	133450	2.9830
	At the end of the Year 31-Mar-2020	133450	2.9830	133450	2.9830

EURO LEDER FASHION LIMITED

E) Shareholding of Directors and Key Managerial Personnel:

S.No.	Shareholding of each Directors and each 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- Whole Time Director (stepped down with effect from 8 th February, 2020) At the beginning of the year At the end of the year	12,73,929 12,73,929	28.48 28.48	12,73,929 12,73,929	28.48 28.48
2.	S Rathnavelu -Additional Director (Whole Time) –Appointed with effect from 8 th February, 2020 At the beginning of the year At the end of the year	Not Holding Any Shares			
3.	Monika Rani-Company Secretary (Appointed with effect from 1st August, 2019) At the beginning of the year At the end of the year	Not Holding Any Shares			
4.	M. Nagendra- Chief Financial Officer At the beginning of the year At the end of the year	Not Holding Any Shares			

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	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
Change in Indebtedness during the financial year				
* Addition	0	0	0	0
* Reduction	0	0	0	0
Net Change	98,53,356	0	0	98,53,356
Indebtedness at the end of the financial year				
i) Principal Amount	17,59,95,495	0	0	17,59,95,495
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	17,59,95,495	0	0	17,59,95,495

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	RM Lakshmanan (WTD) Stepped down w.e.f 8 th February, 2020	S Rathnavelu (WTD) Appointed w.e.f 8 th February, 2020	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,00,000	182,000	11,82,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6,00,000	78,000	6,78,000
	(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 (A)	16,00,000	260,000	18,60,000
	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
		Avinash Anathanarayanan Independent Director	S.Jayamalini Independent Director	S.Aishwarya Non Executive Director	
1	Fee for attending Board Meetings and Committee thereof	16,000	14,000	8,000	38,000
	Commissions	NIL	NIL	NIL	NIL
	Others, please Specify	NIL	NIL	NIL	NIL
	Total (1)	16,000	14,000	8,000	38,000
	Total Managerial Remuneration	16,000	14,000	8,000	38,000
	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	M Nagendra – Chief Financial Officer	Monika Rani (Appointed w.e.f 1 st Aug, 2019)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,91,000	2,40,000	8,31,000
	(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	8,45,000	2,40,000	10,85,000

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**

Place : Chennai
Date : 13th August, 2020

S. Rathnavelu
Whole Time Director
(DIN: 08692379)

Mrs. Jayamalini
Director
(DIN: 07165811)

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 utilizing 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 under review, the Company has not made any capital investment on energy conservation equipments.

2. 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.

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.5414.10 Lakhs

Foreign Travel expenses : Rs.93.98 Lakhs

On Behalf of the Board of Directors
Euro Leder Fashion Limited

Place: Chennai
Date: 13thAugust, 2020

S.Rathnavelu **Mrs.Jayamalini**
Whole Time Director Director
(DIN: 08692379) (DIN: 07165811)

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	Relative of promoter and Director
(b)	Nature of contracts/arrangements/transactions	Payment of Rent
(c)	Duration of the contracts / arrangements/transactions	From 1 st April, 2019 to 31 st March, 2020 Rs.18,00,000
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 6,00,000 Paid to Mr.RM.Lakshmanan- Whole time Director and Promoter Rs. 6,00,000 Paid to Mrs.Shwetha - Relative of Director and Promoter Rs. 6,00,000 Paid to Mr.Ramu -Relative of Director and Promoter
(e)	Date(s) of approval by the Board	25 th July, 2019
(f)	Amount paid as advances, if any	Rs.15,00,000/-

On Behalf of the Board of Directors
Euro Leder Fashion Limited

Place : Chennai
Chennai :13th August, 2020

S. Rathnavelu
Whole Time Director
(DIN: 08692379)

Mrs. Jayamalini
Director
(DIN: 07165811)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on the business of the Company for the year ended 31st March, 2020 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 Pammal, Uttiramerur and Vadadavur. 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 channeled 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

YEAR	2019-20	2018-19
SALES	5641.17	7352.82
EXPORTS	5599.23	7315.93

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.5412/- 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.6crores. 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 2021-2022.

EURO LEDER FASHION LIMITED

4. IMPACT OF THE COVID-19 PANDEMIC ON THE BUSINESS

The Company's manufacturing facilities was remained shutting due to lockdown and partially re-opened during the 1st quarter which has impacted its operations. Company's export orders were pending and on hold to the countries named Italy, France and USA.

1st quarter, being lockdown, the revenues and profitability of the Company were adversely impacted. As the Company is fully depends on export orders and the business situation is very dynamic, the same was being monitored closely. Though we do hope the business situation should normalize during 3rd and 4th quarter of FY 2020-21. There was temporary reduction in demand of leather garments due to lock down, which we expect to improve in 3rd and 4th quarter of FY 2020-21.

5. 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.

6. HUMAN RESOURCES:

The initiatives undertaken by the Human Resources Department is always aimed at operationalising 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 2020-21.

7. OTHER MATTERS:

There were 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.

Place: Chennai
Date: 13th August, 2020

On Behalf of the Board of Directors
Euro Leder Fashion Limited

S. Rathnavelu
Whole Time Director
(DIN: 08692379)

Mrs. Jayamalini
Director
(DIN: 07165811)

EURO LEDER FASHION LIMITED

Annexure F

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
**The Members of
Euro-Leder Fashion Limited
10, P.P Amman Koil Street, Nagelkeni,
Chrompet, Chennai-600044**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **EURO LEDER FASHION LIMITED (CIN:L18209TN1992PLC022134)** having registered office at No. 10, P.P Amman Koil Street, Nagelkeni, Chromepet, Chennai,-600044 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31stMarch, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority except Mr. Ramanathan Lakshmanan (DIN:00039603), who has been debarred/disqualified by Registrar of Companies, Chennai under section 164(2) of the Companies Act, 2013 for a period of 5 years for non filing of Financial Statements and Annual Returns by a Company named, Leder Trendz Private Limited, for a continuous period of 3 financial years, where he was a Director.

Sr. No.	Name of Directors	DIN	Date of appointment in Company
1	AVINASH ANANTHANARAYANAN	03561806	17/09/2018
2	JAYAMALINI	07165811	27/04/2015
3	AISHWARYA SESHADRI NATHAN	08275482	12/11/2018
4	DHANSINGH JAYAPAL	08686718	08/02/2020
5	SUBRAMANIAN RATHNAVELU	08692379	08/02/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi
Date : 20th May, 2020

**For Amresh & Associates
(Company Secretaries)**
Amresh Kumar
Proprietor
M No.: 32262 CP No.:22067
UDIN : A032262B000261315

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, 2020, 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, 2020; 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.

Sl. No	Key Audit Matter	Auditors' Response
1	Revenue Recognition – Sale of goods Revenue from sale of goods is recognized when the control of goods is transferred to the customers. In terms of the application of the new revenue accounting standard Ind AS 115 (Revenue from Contracts with Customers), for some contracts, control is transferred either when the product is delivered to the customer's site or when the product is shipped, depending on the applicable terms. The Management has exercised judgement in applying the revenue accounting policy while recognising revenue.	We have performed the following principal audit procedures in relation to revenue recognised. <ul style="list-style-type: none">• Understood the revenue recognition process, evaluated the design and implementation, and operating effectiveness of internal controls relating to revenue recognised.• Selected samples and tested the operating effectiveness of internal controls, relating to transfer of control. We carried out a combination of procedures involving enquiry, observation and inspection of evidence in respect of operation of these controls.• Tested the relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue.• In respect of the selected sample of transactions:

EURO LEDER FASHION LIMITED

Sl. No	Key Audit Matter	Auditors' Response
		<p>o Tested whether the revenue is recognised upon transfer of control to customer.</p> <p>o We have evaluated the delivery and shipping terms of the contracts for revenue recognised during the period.</p> <p>o We have also tested the location stock reports from Company warehouses, where applicable, for confirmation on sales quantity made during the year.</p> <p>o Tested that the revenue recorded is after considering the applicable rebates and discounts.</p> <p>o For samples near to period end, tested the acknowledgments of customers.</p>
2	<p>Property, Plant and Equipment Management judgement is utilised for determining the carrying value of property, plant and equipment, intangible assets and their respective depreciation/ amortization rates. These include the decision to capitalise or expense costs; the annual asset life review; the timelines of the capitalisation of assets and the measurement and recognition criteria for assets retired from active use. Please refer accounting policy.</p>	<p>We have done verification of controls in place over the fixed assets cycle, evaluated the appropriateness of capitalisation process, performed tests to verify the capitalised costs, assessed the timelines of the capitalisation of the assets and assessed the derecognition criteria for assets retired from active use. Useful life review of assets has been assessed by the management. In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of asset lives applied in the calculation of depreciation/ amortization; and the useful lives of assets prescribed in Schedule II of the Companies Act, 2013.</p>
3	<p>Provisions and Contingent Liabilities The Company is involved in certain legal and tax disputes and the assessment of the risks associated with the litigations is based on Management assumptions, which require the use of judgment and such judgment relates, primarily, to the assessment of the uncertainties connected to the prediction of the outcome of the proceedings.</p>	<p>Our audit procedure in response to same is included, among others,</p> <ul style="list-style-type: none"> • Assessment of the process to identify legal and tax litigations, and pending administrative proceedings. • Assessment of assumptions used in the evaluation of potential legal and tax risks performed by the legal and tax department of the Company considering the legal precedence and other rulings/judgement in similar cases. • Analysis of opinion received from the tax consultant where available. • Review of the adequacy of the disclosures in the notes to the financial statements.

EURO LEDER FASHION LIMITED

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 cash flows of the Company in accordance with 6 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.

EURO LEDER FASHION LIMITED

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.

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.

EURO LEDER FASHION LIMITED

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, 2020 taken on record by the Board of Directors of the Company, none of the directors of the Company are disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act except Mr. Ramanathan Lakshmanan (DIN:00039603), who has been disqualified by Registrar of Companies, Chennai under section 164(2) of the Companies Act, 2013 for a period of 5 years for non- filing of Financial Statements and Annual Returns by a Company named, Leder Trendz Private Limited, where he was a Director. Accordingly, Mr. Ramanathan Lakshmanan has stepped down as whole time Director of the Company with effect from 8th February, 2020
 - (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.

for **S Ramakrishnan Associates**
Chartered Accountants
FRN No.06637S

(S Ramakrishnan)
Partner

M.No.025936
UDIN: 20025936AAAAAH3411

Place: Chennai
Date: July 10, 2020

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 2020]

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, 2020 for a period of more than six months from the date they became payable.
 (b) According to the information and explanations given to us, the particulars of dues which have not been deposited with the appropriate authorities on account of any dispute are as follows:

S.No	Name of the Statute	Nature of Dues	Amt. in Rs.	Pertaining	Forum where the dispute is pending
1	Income Tax	Income tax demand	4,04,363	AY 2001-02	ITAT appeal

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.

for S Ramakrishnan Associates
Chartered Accountants
FRN No.06637S

(S Ramakrishnan)
Partner

Place: Chennai
Date: July 10, 2020

M.No.025936
UDIN: 20025936AAAAAH3411

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 2020 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.

Auditors' 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 2020, 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.

for S Ramakrishnan Associates
Chartered Accountants
FRN No.06637S

(S Ramakrishnan)
Partner

M.No.025936
UDIN: 20025936AAAAAH3411

Place: Chennai
Date: July 10, 2020

EURO LEDER FASHION LIMITED

**M/S EURO LEDER FASHION LIMITED
BALANCE SHEET AS AT MARCH 31, 2020**

CIN:L18209TN1992PLC022134

(Amount in Rs.)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
NON CURRENT ASSETS			
(a) Property, plant and equipment	6	15,08,25,984.08	14,77,25,823.74
(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	2,23,12,069.31	2,38,62,920.52
Total non-current assets		17,50,86,181.67	17,35,36,872.54
CURRENT ASSETS			
(a) Inventories	9	10,50,47,876.00	8,45,59,235.00
(b) Financial Assets			
(i) Investments	10	1,53,00,189.14	1,37,18,498.00
(ii) Trade receivables	11	11,60,89,067.00	14,32,64,904.40
(iii) Cash and cash equivalents	12	11,023.95	18,984.45
(iv) Bank balance other than (iii) above	13	4,76,10,073.66	4,04,03,122.96
(v) Short term Loans and advances	14	3,93,05,427.94	3,50,88,277.37
(c) Other current assets	15	2,20,09,838.94	3,69,89,748.10
Total Current assets		34,53,73,496.63	35,40,42,770.28
TOTAL ASSETS		52,04,59,678.30	52,75,79,642.82
EQUITY AND LIABILITIES			
Equity			
a) Equity Share capital	16	3,90,98,250.00	3,90,80,250.00
b) Other Equity	17	9,29,75,740.05	8,81,77,767.09
Total Equity		13,20,73,990.05	12,72,58,017.09
Liabilities			
Non-current liabilities			
a) Deferred tax liabilities (Net)	18	28,44,033.00	20,39,433.00
b) Other long term liabilities	19	-	-
c) Long term provisions	20	1,40,13,540.00	1,28,67,827.00
Total Non-current liabilities		1,68,57,573.00	1,49,07,260.00
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	17,59,95,495.49	18,58,48,851.19
(ii) Trade payables	22	12,25,05,204.67	13,88,55,851.61
b) Other current liabilities	23	7,09,27,415.09	5,45,09,662.93
c) Short-term provisions	24	21,00,000.00	62,00,000.00
Total current liabilities		37,15,28,115.25	38,54,14,365.73
TOTAL EQUITY AND LIABILITIES		52,04,59,678.30	52,75,79,642.82

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
Euro Leder Fashion Limited

S.Ramakrishnan
Partner
Membership No.025936

S.Rathnavelu
Whole Time Director
(DIN: 08692379)

Mrs Jayamalini
Director
(DIN: 07165811)

Place:Chennai
Dated :10.07.2020

Monika Rani
Company Secretary

M.Nagendra
Chief Financial Officer

EURO LEDER FASHION LIMITED

M/S EURO LEDER FASHION LIMITED

CIN:L18209TN1992PLC022134

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in Rs.)

Particulars	Note	Year ended March 31, 2020	Year ended March 31, 2019
Incomes			
Revenue from operations	25	61,40,76,332.00	79,04,79,226.00
Other income	26	1,58,32,419.95	2,00,24,704.45
Total Revenue		62,99,08,751.95	81,05,03,930.45
Expenses			
Cost of materials consumed	27	46,96,65,431.59	58,40,95,747.54
Purchases of Stock-in-Trade			
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	28	-1,76,38,400.00	75,52,800.00
Employee benefits expense	29	4,33,14,189.46	4,64,69,969.10
Finance costs	30	83,18,241.95	1,56,84,005.15
Depreciation and amortization expense	31	46,30,256.00	47,31,073.00
Other expenses	32	11,36,22,978.99	14,21,80,584.41
Total Expenses		62,19,12,697.99	80,07,14,179.20
Profit before tax		79,96,053.96	97,89,751.25
Tax expense:			
Current tax		21,00,000.00	31,00,000.00
Deferred tax		10,89,326.00	9,69,926.00
Taxes relating to earlier year		8,755.00	15,45,683.00
Total tax expense		31,98,081.00	56,15,609.00
Profit after tax from continuing operations		47,97,972.96	41,74,142.25
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		47,97,972.96	41,74,142.25
Earnings per equity share:			
Basic		1.23	1.07
Diluted		1.23	1.07

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

S.Ramakrishnan
Partner
Membership No.025936

Place:Chennai
Dated :10.07.2020

For and on behalf of the Board of Directors
Euro Leder Fashion Limited

S.Rathnavelu
Whole Time Director
(DIN: 08692379)

Monika Rani
Company Secretary

Mrs Jayamalini
Director
(DIN: 07165811)

M.Nagendra
Chief Financial Officer

EURO LEDER FASHION LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

(Amount in Rs.)

	Year ended 31.03.2020	Year ended 31.03.2019
A. Cash flow from operating activities		
Profit for the year	79,96,053.96	97,89,751.25
<u>Adjustments for:</u>		
Depreciation and amortisation expense	46,30,256.00	47,31,073.00
(Profit) / loss on sale / write off of assets	-	2,27,331.00
Finance Cost	61,85,824.83	1,18,83,356.05
	1,08,16,080.83	1,68,41,760.05
Operating profit / (loss) before working capital changes	1,88,12,134.79	2,66,31,511.30
<u>Changes in working capital:</u>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	-2,04,88,641.00	-37,02,467.00
Trade receivables	2,71,75,837.40	-1,25,70,203.88
Loans and other financial assets	-42,17,150.57	87,86,197.18
Other current assets	1,33,98,218.02	1,48,22,373.41
Other Non-current assets	15,50,851.31	1,04,09,748.22
	1,74,19,115.16	1,77,45,647.93
Adjustments for increase / (decrease) in operating liabilities:		
Other current liabilities & Provisions		
Trade payables	-1,63,50,646.94	-62,79,503.27
Other financial and current liabilities	1,64,17,752.16	-3,40,11,668.57
Other Non-current liabilities	19,50,313.00	-17,96,469.00
Provisions	-93,98,081.00	-91,15,609.00
	-73,80,662.78	-5,12,03,249.84
Cash flow from extraordinary items	18,000.00	250.00
Cash generated from operations	2,88,68,587.17	-68,25,840.61
Net income tax (paid) / refunds	21,00,000.00	31,00,000.00
Net cash flow from / (used in) operating activities (A)	3,09,68,587.17	-37,25,840.61
B. Cash flow from investing activities		
Capital expenditure on Property Plant & Equipment including capital advances	-77,30,416.34	-2,26,53,006.58
Proceeds from sale of Property Plant & Equipment	-	1,57,757.00
Net cash flow from / (used in) investing activities (B)	-77,30,416.34	-2,24,95,249.58

EURO LEDER FASHION LIMITED

	Year ended 31.03.2020	Year ended 31.03.2019
C. Cash flow from financing activities		
Net increase / (decrease) in working capital borrowings	-98,53,355.70	2,82,40,156.00
Finance cost	-61,85,824.83	-1,18,83,356.05
Net cash flow from / (used in) financing activities (C)	-1,60,39,180.53	1,63,56,799.95
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	71,98,990.30	-98,64,290.24
Opening Cash and cash equivalents as at 01.04.2019	4,04,22,107.31	5,02,86,397.55
Closing Cash and cash equivalents as at 31.03.2020	4,76,21,097.61	4,04,22,107.31
* Comprises:		
(a) Cash on hand	11,023.95	18,984.35
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts	12,53,012.87	3,00,037.22
(ii) In EEFC accounts	4,14,894.00	84,03,923.08
(iii) In deposit accounts with original maturity of less than 3 months	4,59,42,166.79	31699162.66
(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)	4,76,21,097.61	4,04,22,107.31

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.

This is the cash flow statement referred to in our report of even date

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

For and on behalf of the Board of Directors
Euro Leder Fashion Limited

S.Ramakrishnan
Partner
Membership No.025936

S.Rathnavelu
Whole Time Director
(DIN: 08692379)

Mrs Jayamalini
Director
(DIN: 07165811)

Place:Chennai
Dated :10.07.2020

Monika Rani
Company Secretary **M.Nagendra**
Chief Financial Officer

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, 2019	3,90,80,250.00
Changes in equity share capital during the year	18,000.00
Balance at March 31, 2020	3,90,98,250.00

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	7,68,77,466.37	-	-	-	-	7,68,77,466.37
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	8,40,03,624.84	-	-	-	-	8,40,03,624.84
Changes in the equity for the year March 31, 2019						
Profits for the year	41,74,142.25	-	-	-	-	41,74,142.25
Other comprehensive income for the year	-	-	-	-	-	-
Balance as of March 31, 2019	8,81,77,767.09	-	-	-	-	8,81,77,767.09
Changes in the equity for the year March 31, 2020						
Profits for the year	47,97,972.96	-	-	-	-	47,97,972.96
Other comprehensive income for the year	-	-	-	-	-	-
Balance as of March 31, 2020	9,29,75,740.05	-	-	-	-	9,29,75,740.05

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
Euro Leder Fashion Limited

S.Ramakrishnan
Partner
Membership No.025936

S.Rathnavelu
Whole Time Director
(DIN: 08692379)

Mrs Jayamalini
Director
(DIN: 07165811)

Place:Chennai
Dated :10.07.2020

Monika Rani
Company Secretary

M.Nagendra
Chief Financial Officer

EURO LEDER FASHION LIMITED

Notes forming part of the financial statements for the year ended 31st March 2020

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.10, P.P Amman Koil Street, Nagelkeni, Chrompet, Chennai-600044. The company is having units in Pammal, Vadadavur and Uthiramerur. The company is a public limited company and shares are listed in BSE Limited Mumbai. During the year the company has changed its registered office to the above said address vide its Board approval dated 2nd November, 2019 for operational convenience.

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

EURO LEDER FASHION LIMITED

term basis and terms are beyond normal credit terms, property plant and equipment will be recognized 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 (other than computers)	10
Plant & Machineries	15

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 incurred in bringing the inventory to present location and condition. Net realisable value is the estimated

EURO LEDER FASHION LIMITED

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

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.

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

EURO LEDER FASHION LIMITED

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.

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

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- 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 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.

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2.17 COVID 19 Pandemic impact on financial statements :

In March 2020, World Health Organization declared COVID-19 to be a pandemic. Company had to shut down its plan from 24th March 2020 due to the lockdown and emergency measures taken by the Government of India. Subsequently it has resumed its operation and taken measures to protect health of its employees and ensure business continuity with minimal disruption.

Based on the preliminary impact assessment of COVID-19, the company does not foresee any material impact on profitability, liquidity position and demand and supply chain of the company. The Company will continue to closely monitor any material changes to future economic conditions.

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.

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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
6	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
	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

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

Sl. No.	Particulars	Gross Block				Depreciation				Net Block	
		As at 01.04.2019	Additions	Deletions	As at 31.03.2020	Upto 01.04.2019	For the Year	Adjustment	As at 31.03.2020	As at 01.04.2019	
1	Plant & Machinery	5,79,86,052.11	52,78,939.34	-	6,32,64,991.45	1,08,95,266.20	23,42,733.00	-	5,00,26,992.25	4,70,90,785.91	
2	Furniture & Fixtures	51,86,349.58	2,46,747.00	-	54,33,096.58	26,98,693.85	2,49,883.00	-	24,84,520.73	24,87,655.73	
3	Motor Car	2,00,53,672.97	15,94,834.00	-	2,16,48,506.97	83,43,290.77	19,95,816.00	-	1,13,09,401.20	1,17,10,382.20	
4	Computer	12,38,879.83	-	-	12,38,879.83	11,06,817.34	41,824.00	-	90,239.91	1,32,062.49	
5	Land Purchase	8,63,04,934.00	6,09,896.00	-	8,69,14,830.00	-	-	-	8,69,14,830.00	8,63,04,934.00	
	Total Tangible Assets	17,07,69,888.48	77,30,416.34	-	17,85,00,304.82	2,30,44,068.16	46,30,256.00	-	15,08,25,984.08	14,77,25,820.32	
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	17,27,09,265.76	77,30,416.34	-	18,04,39,682.10	2,30,44,068.16	46,30,256.00	-	15,27,65,361.36	14,96,65,197.60	
	Intangible Assets	-	-	-	-	-	-	-	-	-	
	TOTAL	17,27,09,265.76	77,30,416.34	-	18,04,39,682.10	2,30,44,068.16	46,30,256.00	-	15,27,65,361.36	14,96,65,197.60	

EURO LEDER FASHION LIMITED

Amount in Rs.

ASSETS		31.03.2020	31.03.2019
6	NON CURRENT ASSETS		
	(a) Property, plant and equipment	15,08,25,984.08	14,77,25,823.74
	(b) Capital work-in-progress	19,39,377.28	19,39,377.28
	Total	15,27,65,361.36	14,96,65,201.02
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	8,751.00	8,751.00
8	(ii) Other financial assets		
	Unsecured Considered Good		
	Capital Advances		
	Rental and Security Deposits	1,07,05,616.91	1,04,84,348.52
	Advance Income Tax & Self assessment tax	98,09,388.00	1,06,22,772.00
	Others advances	17,97,064.40	27,55,800.00
	Total	2,23,12,069.31	2,38,62,920.52
	Total non-current assets	17,50,86,181.67	17,35,36,872.54
9	CURRENT ASSETS		
	Inventories		
	(As Certified by the Whole Time Director)		
	Raw Materials including Scraps	6,82,00,820.00	6,26,20,539.00
	Consumables	57,64,356.00	84,94,396.00
	Work in Progress	42,66,000.00	24,00,000.00
	Finished Goods	2,68,16,700.00	1,10,44,300.00
	Total	10,50,47,876.00	8,45,59,235.00
10	(b) Financial Assets		
	(i) Investments		
	Canara Rebeco Gold Saving Fund	1,53,00,189.14	1,37,18,498.00
		1,53,00,189.14	1,37,18,498.00
11	(ii) Trade receivables		
	Unsecured		
	Debts overdue for a period exceeding six months		
	- Considered Good (exceeds one year)	3,52,450.00	34,53,323.00
	- Doubtful		
	Other debts		
	- Considered Good (Current Year receivables)	11,57,36,617.00	13,98,11,581.40
	- Doubtful		
	Total	11,60,89,067.00	14,32,64,904.40
	Less: Provision for doubtful debts	-	-
	Total	11,60,89,067.00	14,32,64,904.40

EURO LEDER FASHION LIMITED

Amount in Rs.

ASSETS		31.03.2020	31.03.2019
12	(iii) Cash and cash equivalents		
	Cash on hand	11,023.95	18,984.45
		11,023.95	18,984.45
13	(iv) Bank balance other than (iii) above		
	Balances with banks		
	In Current Accounts	12,53,012.87	3,00,037.22
	In EEFC Accounts	4,14,894.00	84,03,923.08
	In Deposit	4,59,42,166.79	3,16,99,162.66
	Total	4,76,10,073.66	4,04,03,122.96
14	(v) Short term Loans and advances		
	Unsecured - Considered Good		
	Loans and advances	2,41,42,753.83	2,23,30,994.76
	Rent Deposits	6,26,000.00	20,50,000.00
	Other advances	1,45,36,674.11	1,07,07,282.61
	Total	3,93,05,427.94	3,50,88,277.37
	Less: Provision for doubtful debts		
	Total	3,93,05,427.94	3,50,88,277.37
15	(c) Other current assets		
	Duty Drawback Receivable	34,03,898.00	34,86,232.00
	Vat in put credit receivable	37,27,494.40	82,86,739.40
	GST receivables	1,48,78,446.54	2,52,16,776.70
	Total	2,20,09,838.94	3,69,89,748.10
	TOTAL CURRENT ASSETS	34,53,73,496.63	35,40,42,770.28
	TOTAL CURRENT AND NON CURRENT ASSETS	52,04,59,678.30	52,75,79,642.82

EURO LEDER FASHION LIMITED

Note 16 Equity Share capital

Particulars	As at 31 March, 2020		As at 31 March, 2019	
	Number of shares	Amount in Rs.	Number of shares	Amount in 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
(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
Less:calls in arrears	7,51,700	56,37,750	7,54,100	56,55,750
		3,90,98,250		3,90,80,250

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, 2020			
- Number of shares	44,73,600	-	44,73,600
- Amount (Rs.)	4,47,36,000	-	4,47,36,000
Year ended 31 March, 2019			
- 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, 2020		As at 31 March, 2019	
	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%	12,73,929	28.48%

EURO LEDER FASHION LIMITED

Notes forming part of the Financial Statements for the year ended 31st March 2020 Amount in Rs.

	Particulars	As at 31.03.2020	As at 31.03.2019
	EQUITY AND LIABILITIES		
	Equity		
16	a) Equity Share capital Authorized Capital 50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000.00	5,00,00,000.00
	b) 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	56,37,750.00	56,55,750.00
	Total	3,90,98,250.00	3,90,80,250.00
16.1	Shares in the Company held by each shareholder holding more than 5 per cent shares Name of the Shareholders Shri.RM.Lakshmanan % of holding The company during the period of five years immediately preceding 31st March 2020, 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 31-03-2020	No of shares held 1273929 28.48	No of shares held 1273929 28.48
17	b) Other Equity Opening balance Net Profit For the current year Closing Balance 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.	8,81,77,767.09 47,97,972.96 9,29,75,740.05	8,40,03,624.84 41,74,142.25 8,81,77,767.09

EURO LEDER FASHION LIMITED

		Amount in Rs.	
	Particulars	As at 31.03.2020	As at 31.03.2019
	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	28,44,033.00	20,39,433.00
19	Other Long term Liabilities	-	-
20	Long term provisions	1,40,13,540.00	1,28,67,827.00
	TOTAL	1,68,57,573.00	1,49,07,260.00
	Current liabilities		
	(a) Financial liabilities		
	a) Short Term Borrowings-Secured-Ref Note No.21.1 & 21.2		
	a) Packing Credits	6,92,32,533.19	5,43,84,286.19
	b) Bills negotiation with bank	10,56,36,302.00	13,14,64,565.00
	c) Overdaft account	11,26,660.30	
	d) Canara Bank VSL MSE in Rs.	-	-
	TOTAL	17,59,95,495.49	18,58,48,851.19
21.1	Deposit of title deeds of land at vadathavur & pammal		
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		
22	ii) Trade payables Trade Payable-Suppliers	12,25,05,204.67	13,88,55,851.61
		12,25,05,204.67	13,88,55,851.61
23	b) Other current liabilities Other Current Liabilities Statutory Dues Due to Directors	7,00,11,590.09 7,95,825.00 1,20,000.00	5,34,54,486.93 10,55,176.00 -
	TOTAL	7,09,27,415.09	5,45,09,662.93
24	c) Short-term provisions Provision for Income Tax	21,00,000.00	62,00,000.00
		21,00,000.00	62,00,000.00
	TOTAL CURRENT LIABILITIES	52,04,59,678.30	52,75,79,642.82

EURO LEDER FASHION LIMITED

		Amount in Rs.	
		Year ended 31 March 2020	Year ended 31 March 2019
25	Revenue from operations		
	SALE OF PRODUCTS		
	Export Sales	55,99,23,241.00	73,15,93,367.00
	Local Sales	-	3,24,890.00
	GST SALES-Local	7,53,246.00	33,63,245.00
	CST SALES-Interstate	34,40,550.00	-
		56,41,17,037.00	73,52,81,502.00
	OTHER OPERATING REVENUES		
	Duty Draw Back received	1,79,75,579.00	2,10,43,170.00
	Import License Sold	3,19,83,716.00	3,41,54,554.00
	TOTAL	4,99,59,295.00	5,51,97,724.00
	TOTAL	61,40,76,332.00	79,04,79,226.00
26	Other Income		
	INTEREST INCOME		
	Interest received	81,846.00	15,56,056.11
	export sample income	26,38,599.00	3,37,183.73
	Insurance Claim Received-Factory	75,448.00	38,079.30
	income from investment	23,24,037.40	49,240.21
	Interest from KDR	24,55,961.13	5,25,671.63
	prior period inome	9,83,181.00	-
	Miscellaneous income	8,450.00	-
	profit on sale of assets	-	23,543.00
	Exchange Difference	72,64,897.42	1,74,94,930.47
	TOTAL	1,58,32,419.95	2,00,24,704.45
27	Cost of materials consumed (Ref Note No.27.1.27.2)		
	Materials Consumed- Leathers		
	Opening Stock	6,26,20,539.00	5,06,28,951.00
	Add : Purchases	38,03,54,906.27	48,74,64,901.00
		44,29,75,445.27	53,80,93,852.00
	Less : Closing Stock	6,82,00,820.00	6,26,20,539.00
	TOTAL	37,47,74,625.27	47,54,73,313.00
	Materials Consumed- Consumables		
	Opening Stock	84,94,396.00	92,30,717.00
	Add : Purchases	8,76,82,201.29	10,31,14,683.85
		9,61,76,597.29	11,23,45,400.85
	Less : Closing Stock	57,64,356.00	84,94,396.00
		9,04,12,241.29	10,38,51,004.85
	Add : Chemical Purchase	44,78,565.03	47,71,429.69
		9,48,90,806.32	10,86,22,434.54
	TOTAL	46,96,65,431.59	58,40,95,747.54
28	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		
	Increase/ (Decrease) In stock :-		
	Opening Stock		
	Finished Goods	1,10,44,300.00	1,68,12,100.00
	Work In Progress	24,00,000.00	41,85,000.00
		1,34,44,300.00	2,09,97,100.00
	Closing Stock		
	Finished Goods	2,68,16,700.00	1,10,44,300.00
	Work In Progress	42,66,000.00	24,00,000.00
	Increase / (Decrease In Stock)	-1,76,38,400.00	75,52,800.00

EURO LEDER FASHION LIMITED

		Amount in Rs.	
		Year ended 31 March 2020	Year ended 31 March 2019
29	Employee Benefits Expense		
	Salaries and incentives		
	Directors Remuneration		15,00,000.00
	Paid to Mr.RM.Lakshmanan-Whole Time Director	10,00,000.00	
	Paid to Mr.S.Rathnavelu-Whole time Director	1,82,000.00	
	HRA To Directors :		
	Mr.RM.Lakshmanan	6,00,000.00	9,00,000.00
	Mr.S.Rathnavelu	78,000.00	-
	Salaries & Wages & bonus	3,64,52,976.90	3,88,72,309.50
	Security Charges	4,48,495.00	5,07,364.42
	TOTAL	3,87,61,471.90	4,17,79,673.92
	Contribution to Provident fund	17,22,626.00	21,67,463.00
	Contribution to ESIC	1,91,402.00	3,97,215.00
	Staff welfare expenses	26,38,689.56	21,25,617.18
	TOTAL	45,52,717.56	46,90,295.18
	GRAND TOTAL	4,33,14,189.46	4,64,69,969.10
30	Finance costs		
	Interest Paid to Banks	61,85,824.83	1,18,83,356.05
	Bank Charges	21,32,417.12	38,00,649.10
	TOTAL	83,18,241.95	1,56,84,005.15
31	Depreciation and amortization expense		
	Depreciation	46,30,256.00	47,31,073.00
		46,30,256.00	47,31,073.00
32	Other expenses		
	Factory Rent Paid	1,07,00,517.00	1,33,73,818.00
	Annual Listing Fees	3,18,150.00	3,04,000.00
	AGM Expenses	22,425.00	22,229.00
	Rate & Taxes	13,37,262.95	1,11,78,575.36
	Insurance	18,41,320.81	6,93,912.07
	Packing Material Consumed	25,55,386.30	32,87,710.44
	Air Freight & Transport Charges	1,85,13,561.78	2,14,42,414.13
	Export Agency Commission	74,45,414.00	54,54,244.00
	Postage,Telegram & Telephone	14,45,732.15	14,67,171.19
	Printing & Stationery	6,06,055.16	6,29,822.00
	Travelling & Conveyance	12,74,527.00	11,60,643.60
	Tours and Travelling Expenses (including overseas)	93,98,363.28	62,92,065.72
	Repairs & Maintenance :-		
	a. Building	24,06,576.99	50,01,989.35
	b. Computers	5,57,271.38	83,734.09
	c. Others	24,05,263.91	41,05,999.48
	d. Plant & Machinery	21,19,956.26	25,12,439.44
	Sitting Fees	38,000.00	32,000.00
	Advertisement Charges	83,880.00	61,300.00
	Professional Charges	13,49,147.00	17,49,696.00
	Export pattern development expenses	5,59,604.00	
	Rate difference	35,13,924.35	1,25,78,562.00
	Bad Debts Written Off	2,89,666.88	25,19,330.74
	Gratuity Paid	14,48,975.00	3,82,400.00
	Disbursement Fee	13,50,997.97	14,74,217.34

EURO LEDER FASHION LIMITED

		Amount in Rs.	
		Year ended 31 March 2020	Year ended 31 March 2019
	General exp	13,904.00	2,000.00
	Defect in quality	37,86,491.00	-
	Handling Charges	1,04,669.24	1,600.00
	Other Charges	-	5,606.74
	Stock exchange fee	-	5,64,040.00
	Warehouse Charges & Cess	-	11,546.25
	Leave Encashments	1,35,525.00	2,17,790.00
	Donations	19,000.00	67,800.00
	ECGC Premium	5,81,771.00	5,14,373.00
	Vehicle Maintenance	28,75,882.69	25,33,174.27
	Export Promotion Expenses	25,90,438.30	68,49,328.41
	Office Maintanance	3,50,131.00	3,41,493.73
	Books & Periodicals	-	1,520.00
	Loss on sale of assets	-	2,27,331.00
	Rounded off	-215.26	4.44
	Power & Fuel	19,26,514.45	20,47,246.77
	Electricity Charges	62,20,573.00	57,08,255.00
	Labour Charges	71,48,038.60	73,88,904.25
	Leather Processing Charges	99,47,180.22	1,30,97,247.83
	Commission Paid	41,39,652.78	36,89,719.67
	Duty Paid-Customs	20,95,443.80	16,68,281.10
	Audit Fees (Ref Note No.32.1)	1,06,000.00	1,05,400.00
	Income tax paid	-	13,29,648.00
	TOTAL	11,36,22,978.99	14,21,80,584.41
32.1	Amount Paid / Payable to Auditors		
	Audit Fees	75,000.00	75,000.00
	Taxation	25,000.00	25,000.00
	Certification fees	6,000.00	5,400.00
	TOTAL	1,06,000.00	1,05,400.00
27.1	Raw material Consumed		
	Leather 6487006 sq.ft 7863915 sq.ft	37,47,74,625.27	47,54,73,313.00
	Other Accessories	9,48,90,806.32	10,86,22,434.54
		46,96,65,431.59	58,40,95,747.54
27.2	Value of imported/indigeneous material consumed		
	Import-Landed Cos 11.29% & 10.43%	5,30,22,366.00	6,09,50,137.15
	Indigeneous 88.71% & 89.57%	41,66,43,065.59	52,31,45,610.39
	Total 100%	46,96,65,431.59	58,40,95,747.54

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, 2020 Rs.	As at 31 March, 2019 Rs.	As at 31 March, 2018 Rs.
33. Contingent liabilities and commitments (to the extent not provided for)			
(i) Contingent liabilities			
(a) Guarantees	-	-	-
(b) Liability on bills discounted with banks	10,56,36,302	13,14,64,565	
(c) Disputed tax/duty demands under appeal (Refer Note 1 below)	4,04,363	4,04,363	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
Note: - Figures in brackets relate to the previous year.			

(i) Details of Auditors' Remuneration:

	Details 2019-20 Rs.in lakhs	2018-19 Rs.in lakhs
Statutory Audit	0.75	0.75
Tax Audit	0.25	0.25
Certification charges	0.06	0.05
Total	1.06	1.05

- 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)

	31.03.2020	31.03.2019
Profit as per Profit & Loss account (Rs.in lacs).	62.19	97.89
Weighted Average number of equity shares (in lacs)	39.98	39.08
Basic and Diluted Earnings Per Share (Rs. P).	1.23	1.07
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 Management Personnel and relatives of Key Management Personnel

Name of the Key Management personnel	Designation
1. Mr. RM.Lakshmanan	Whole Time Director (Stepped down as whole time Director with effect from 8 th February, 2020)
2. Mr. Dhansingh Jayapal	Appointed as Additional Independent Director with effect from 8 th February, 2020
3. Mr. S Rathanavelu	Appointed as Additional Director (Whole Time) with effect from 8 th February, 2020
4. Mrs. Jayamalini	Independent Director
5. Mr. Avinash Ananthanarayanan	Independent Director
6. Ms. Aishwarya S Nathan	Non Executive Director
7. Mr. M Nagendra	Chief Financial Officer
8. Ms.Monika Rani	Company Secretary

b) Relatives of Key Management Personnel-

1. SajithChandran, spouse of S.Jayamalini

c) Disclosure in respect of related party transactions

Nature	2019-20	2018-19
Rent- Late.Meenal.L	Nil	1050000
Rent- RM.Lakshmanan	600000	225000
Rent- L.Ramanathan	600000	225000
Rent -L Shwetha	600000	225000
Salary-Mr.Sajithchandran	806000	741000
Outstanding payable as on 31 March		
Rent- RM.Lakshmanan	45000	45000
Rent- L.Ramanathan	45000	45000
Rent -L Shwetha	45000	45000
Mr.SajithChandran	50000	57000

d. Remuneration to key management personal

Name	Rs. in Lakhs	Rs. in Lakhs
M.Nagendra- Chief Financial Officer	8.45	6.84
Monika Rani - Company Secretary	2.40	-

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 31-03-2020		
Financial Assets		
Investments	1,53,00,189.14	8,751.00
Trade Receivables	11,60,89,067.00	
Cash and Cash Equivalents	11,023.95	
Other Financial Assets	2,23,12,069.00	
Financial Liabilities		
Borrowings	17,59,95,495.00	
Trade Payables	12,25,05,205.00	
Other financial liabilities	7,09,27,415.00	
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	

(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.

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Notes forming part of the Financial Statements for the year ended 31st March 2020

Note 34 : Income Taxes

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

(In Rs.)

Particulars	For the Year ended 31 March 2020			
	Opening	Recognised in	Recognised	Closing
	Balance	Profit and Loss	OCI	Balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(20,39,433)	(10,89,303)	-	(31,28,736)
Tax effect of items constituting deferred tax assets				
Employee Benefits	-	-	-	-
Total	-	-	-	-
Net Tax Asset / (Liabilities)	(20,39,433)	(10,89,303)	-	(31,28,736)

(In Rs.)

Particulars	For the Year ended 31 March 2019			
	Opening	Recognised in	Recognised	Closing
	Balance	Profit and Loss	OCI	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)

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 2020	As at 31 March 2019	As at 31 March 2018
Debt (Refer Note 21)	17,59,95,495.00	18,58,48,851.00	15,76,08,695.19
Cash and Bank Balance	-4,76,21,097.00	-4,04,03,122.00	-5,02,86,397.55
Total Debt	12,83,74,398.00	14,54,45,729.00	10,73,22,297.64
Total Equity	13,20,73,990.00	12,72,58,017.00	12,30,83,624.84
Net Debt to equity ratio	0.97	1.14	0.87

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 2020, 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, 2020					
USD/INR	US Dollar	-	-	-	Buy
EURO/INR	EURO	-	-	-	Buy
As at March 31, 2019					
USD/INR	US Dollar	-	-	-	Buy
EURO/INR	EURO	-	-	-	Buy
As at March 31, 2018					
USD/INR	US Dollar	-	-	-	Buy
EURO/INR	EURO	-	-	-	Buy

Approval of Financial Statements

The financial statements were approved by the board of directors at their meeting held on 10.07.2020

EURO LEDER FASHION LIMITED

Financial arrangements

The company has access to the following undrawn borrowing facilities:

Particulars	31-03-2020 (Rs.in lakhs)	31-03-2019 (Rs.in lakhs)
Expiring within one year	1759.95	1858.49
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 31.03.2020		
Borrowings from Banks	17,59,95,495.00	-
Trade payables	12,25,05,205.00	-
Other financial liabilities	7,09,27,415.00	-
As at 31.03.2019		
Borrowings from Banks	18,58,48,851	-
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 31-03-2020	Nil	9,59,199.00	71.55	68630688
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
In EURO				
As at 31-03-2020	Nil	6,11,637.00	77.00	47096049
As at 31-03-2019	Nil	4,89,584.00	79.50	38921928
As at 31-03-2018	Nil	8,45,257.00	80.62	68146479

EURO LEDER FASHION LIMITED

Foreign currency sensitivity analysis

Currency	As at March 31, 2020	Sensitivity +1%	Sensitivity -1%	As at March 31, 2019	Sensitivity +1%	Sensitivity -1%	As at March 31, 2018	Sensitivity +1%	Sensitivity -1%
USD	68737217	687372	(687372)	104148895	1041488	(-104148)	66063016	660630	(660630)
Euro	46991053	469911	(469911)	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.

Note 36: Operating Lease arrangements

Leasing arrangements

Future Non-Cancellable minimum lease commitments

Particulars	(Amount in Rs)	
	31-Mar-20	31-Mar-19
Not later than one year	88,21,500	1,10,71,500
Later than one year and not later than five years	-	-
Later than five years	-	-

Expenses recognised in the Statement of Profit and Loss

Particulars	(Amount in Rs)	
	31-Mar-20	31-Mar-19
Minimum Lease Payments	1,07,00,517.00	1,33,73,818.00
Sub-lease payments	-	-
Contingent rents (state basis)	-	-

As per our report of even date attached

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

S.Ramakrishnan
Partner
Membership No.025936

Place:Chennai
Dated :10.07.2020

For and on behalf of the Board of Directors
Euro Leder Fashion Limited

S.Rathnavelu
Whole Time Director
(DIN: 08692379)

Mrs Jayamalini
Director
(DIN: 07165811)

Monika Rani
Company Secretary

M.Nagendra
Chief Financial Officer