

6th September 2018

The Secretary

BSE limited

Phiroze Jeejeebhoy Towers,

Dalal Street Fort,

Mumbai - 400 023

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2017-18

Ref: Disclosure under Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report for the Financial Year 2017-18 which was approved and adopted in the Annual General Meeting held on 30th August, 2018.

Request you to take the above on records.

Thanking you.

Yours truly,

For Euro Leder Fashion Limited



Shri.RM.Lakshmanan

[Whole Time Director]

(DIN: 00039603)



**26th ANNUAL REPORT
2017 - 2018**

EURO LEDER FASHION LIMITED

EURO LEDER FASHION LIMITED

Board of Directors	1. Shri.RM.Lakshmanan	- Whole Time Director.
	2. Shri.P.S.Nathan	- Director
	3. Shri.S.Jambunath	- Director
	4. Shri.N.Meenakshi Sundaram	- Director
	5. Mrs.Jayamalini	- Director

Key Managieral Personnel: Shri. Nagendra Manjunatha - CFO

Auditors : M/s.S.Ramakrishnan Associates
Chartered Accountants,
1A,Rani Annadurai Street,
Rajaannamalaipuram
Chennai-600028
Tel.044-24610007

Registered Office: No.99 G.S.T.Road, Pallavaram, Chennai.600 043

Factories: No.10,PP Amman Koil Street,nagalkeni Chennai600 044
R.N.Kandigai, Kacheepuram District-603 403
No24, S. Parganas Amtala,Kolkata-743398 (since closed)
Tel.044-42943204, 044-42943202, 044-42943203
Fax.044-42943222

Bankers Canara Bank, Midcorporate Branch, Chennai.

EURO LEDER FASHION LIMITED

NOTICE TO MEMBERS

Notice is hereby given that the TWENTY SIXTH ANNUAL GENERAL MEETING of the members of M/s. EURO-LEDER FASHION LIMITED will be held on Thursday, the 30th day of August, 2018, at 10.00 A.M., at Mahalaya Residency, No.114, GST Road, (Opp. Areva) Pallavaram, Chennai - 600 043, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March 2018, the Profit and Loss Account and Cash Flow Statement for the year ended on that date, together with the notes thereon and the schedules thereto and the reports of the Auditors and the Directors.
2. To re-appoint Shri. RM Lakshmanan (DIN: 00039603) Whole-Time Director, who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the appointment of M/s. S Ramakrishnan Associates, Chartered Accountants as the Statutory Auditors of the Company for the year 2018-19 and to fix their remuneration.

By Order of the Board

Place: Chennai
Date: 27.06.2018

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and proxy need not be a member. The proxies should be lodged with the company not later than 48 hours before the time fixed for the commencement of the meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.
3. Revenue stamp should be affixed on the Proxy form. Forms which are not stamped are liable to be considered invalid. It is advisable that the Proxy holder's Signature may also be furnished in the Proxy Form, for identification purpose.
4. The Register of Members and Share Transfer Books will remain closed from **24th August, 2018 to 30th August, 2018** (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. Members are requested to quote their Folio Number in the Correspondence.
7. Details under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking re-appointment at the Annual General Meeting, forms integral part of the notice. The Director has furnished the requisite declaration for his re-appointment.

EURO LEDER FASHION LIMITED

8. Members are requested to quote their queries relating to the accounts at least 10 days before the date of the Meeting, So that the necessary information can be made available at the meeting.
9. Members are requested to bring a copy of the Annual Report along with them to the Annual General Meeting, since extra copies will not be supplied.
10. Members are requested to hand over the attendance slip duly signed at the entrance of the meeting Hall.
11. Registration starts at 9.30A.M. at Mahalaya Residency, No.114, GST Road,(Opposite to Areva), Pallavaram Chennai- 600 043 on Thursday,**30th August, 2018**,

12. Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under, **the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015**, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.

The instructions for shareholders voting electronically are as under:

The voting period begins on Monday, the 27th day of August 2018 (09.00 a.m. IST) and ends on Wednesday, the 29th day of August, 2018 (05.00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Thursday, 23rd day of August, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

EURO LEDER FASHION LIMITED

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

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

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- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xiii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xiv) **Other instructions:**
- (a) The e-voting period begins on Monday, the 27th day of August, 2018 (09.00 a.m. IST) and ends on Wednesday, the 29th day of August, 2018 (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 23rd August, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (b) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 23rd August, 2018.
 - (c) Shri. S. Ananthanarayan, Practicing Company Secretary (Membership No. FCS 2713), has been appointed as the scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - (d) The Scrutinizer shall after the conclusion of voting at the general meeting, first account the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall counter sign the same and shall declare the results forthwith.
 - (e) The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL and shall be immediately forwarded to the Stock exchange in which the shares of the Company are listed.

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

PARTICULARS	Shri.RM. Lakshmanan
Date of Birth	25.12.1966
Qualification	B.Com
Date of First Appointment	05.02.1992
Name of the other Public / Private Limited Companies in which he holds Directorship	a) Euro Prime Properties Private Limited b) Leder Trendz Private Limited
Shareholding in the Company as on 31.03.2018	1080495

EURO LEDER FASHION LIMITED

DIRECTORS REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the Twenty Sixth Annual Report together with Audited accounts for the year ended 31.03.2018

1. FINANCIAL PERFORMANCE:

The summarized financial results for the year ended 31.03.2018 and for the previous year 31.03.2017 are as under:

(Rs. in lakhs)

PARTICULARS	2018	2017
Total Income	8452.15	8286.62
Less: Total Expenses	8306.93	8160.01
Profit before Depreciation and Taxation	145.22	126.61
Less: Depreciation	38.10	30.63
Profit before Tax	107.12	95.98
Provision for Tax	35.86	34.44
Profit after Tax	71.26	61.54
Profit brought forward	768.77	707.23
Profit available for appropriation	840.03	768.77
Profit/Loss carried to Balance Sheet	840.03	768.77

2. PERFORMANCE:

The Company has earned a total income of Rs.8452.15 Lakhs during the year 2017-18 and made a profit before tax of Rs.107.12 Lakhs. The total profit after tax for the year 2017-18 is Rs.71.26 Lakhs compared to Rs.61.54 Lakhs in 2016-17.

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 of the Company, decided to plough back the profit for the year and hence do not recommend any dividend for the year. The company has not transferred any amount to the general reserve.

5. SHARE CAPITAL:

The Company during the year under review has not issued any Sweat Equity Shares or Shares with Differential Rights or under Employee Stock Option Scheme nor did it Buy Back any shares. The Authorised Capital remained the same as previous year. However, the company during the year had received an amount of Rs.15,750/- towards the calls in arrears and the Paid Up capital as on 31st March, 2018 is Rs.3,90,80,000/-.

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

Your Company does not have any subsidiary, joint venture, associate company as at March 31, 2018. Hence, the details and performance thereof do not arise.

EURO LEDER FASHION LIMITED

7. DEPOSITS:

The company has not accepted or invited any deposits under the provisions of the Companies Act, 2013, and rules related thereto.

8. 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. The Company had invested in Canara Rebeco Gold Saving Fund during the year and the total investment as at March 31, 2018, is Rs.126.69 Lakhs which is within the limits specified under section 186 of the Act.

9. DIRECTORS:

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

Appointment / Re-Appointment:

Shri. RM Lakshmanan, Whole – Time Director, retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The members are requested to re-appoint Shri.RM Lakshmanan.

Shri. P.S. Nathan, (Independent Director) has resigned from the Company with effect from July 31st 2017 and the same was approved by the Board of Directors at its meeting held on August 7, 2017 pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board places its sincere appreciation for the services and guidance rendered by Shri. P.S. Nathan during his tenure as a Director of the Company.

10. BOARD MEETINGS:

During the year under review, the Board of Directors met Five times on 29th May, 2017, 31st July, 2017, 07th August, 2017, 11th November, 2017 and 12th February, 2018 and the gap between two meetings was not more than 120 days. The particulars of name of the Directors and attendance are mentioned below:

Name of the Director	Designation & Category	No. of Board Meetings in the year 2017-2018		Attendance at 25 th AGM	No. of Other Directorship in Other Public / Private Companies	No. of Membership/ Chairmanship in Other Companies Board Committee
		Held	Attended			
Shri. N.Meenakshisundaram	Director(NEID)	5	5	No	Nil	Nil
Shri. RM. Lakshmanan	Whole-Time Director	5	5	Yes	2	Nil
Shri.S.Jambunath	Director(NEID)	5	5	Yes	Nil	Nil
Shri. P S Nathan	Director(NEID)	5	1	No	3	Nil
Mrs. Jayamalini	Women / Independent Director	5	5	No	Nil	Nil

EURO LEDER FASHION LIMITED

11. 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.

12. COMMITTEES OF THE BOARD:

A) Audit Committee

The Audit Committee consists of three (3) Independent Directors as on 31.03.2018. All the members of the Audit Committee have accounting, financial and management expertise. The terms of reference of the Audit Committee include the following:

- (i) recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) examination of the financial statement and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the company with related parties;
- (v) scrutiny of inter-corporate loans and investments;
- (vi) valuation of undertakings or assets of the company, wherever necessary;
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) Monitoring the end use of funds raised through public offers and related parties.

The Audit Committee of the Company was reconstituted on 07.08.2017 due to resignation of Shri. P.S. Nathan from the Board of Directors of the Company. Accordingly, Shri. S. Jambunath, and Smt. Jayamalini Independent Directors and of the Company were appointed as the Chairman and Member of the Audit Committee respectively.

The present Audit Committee comprises of the following Directors as on March 31, 2018 and details pertaining to the meetings attended by the Directors are provided hereunder:

Name of the Member	Status	Category	Meetings	
			Held	Attended
Shri. P. S. Nathan*	Chairman	Independent Director	5	1
Shri. S. Jambunath**	Chairman	Independent Director	5	5
Shri.N.Meenakshi Sundaram	Member	Independent Director	5	5
Jayamalini	Member	Independent Director	5	3

* Resigned w.e.f. 31.07.2017

** Appointed w.e.f. 07.08.2017

B) Nomination and Remuneration Committee

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. In compliance with Section 178 of the Companies Act, 2013, the Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration and including criteria for determining qualifications, positive attributes, independence of Directors and other matters.

EURO LEDER FASHION LIMITED

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selecting candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

The Nomination and Remuneration Committee of the Company was reconstituted on 07.08.2017 due to resignation of Shri. P.S. Nathan from the Board of Director of the Company. Accordingly, Smt. Jayamalini Independent Director of the Company was appointed as the Member of the Committee.

The present Nomination and Remuneration Committee Comprises of the following Directors as on March 31, 2018:

Name of the person	Status
Shri. N. Meenakshi Sundaram	Chairman
Shri. S. Jambunath	Member
Jayamalini	Member

During the year committee met on 31.07.2017.

C) Stakeholders Relationship Committee

The Stakeholders Relationship Committee reviews the following:

- Transfer / Transmission of shares
- Issue of duplicate share certificate
- Review of shares dematerialized and all other related matters
- Monitors expeditious redressal of investors' grievances
- Non – receipt of Annual Report

During the year, the Committee met 4 times on 31st July, 2017, 23rd October, 2017, 5th January, 2018 and 22nd January 2018. During the year under review, the Company has not received any grievance / complaint.

Name of Directors	Status	No. of Meetings	
		Held	Attended
Shri. S. Jambunath	Chairman	4	4
Shri. RM. Lakshmanan	Member	4	4
Shri. N. Meenakshisundaram	Member	4	4

EURO LEDER FASHION LIMITED

13. 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.

14. DIRECTOR'S RESPONSIBILITY STATEMENT:

To the best of their knowledge, belief and according to the information's and explanations obtained by them, the Directors pursuant to Section 134 of the Companies Act, 2013 hereby state that:

- 1) In the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made for the same.
- 2) They have 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 as at 31st -March, 2018 and of the Profit of the Company for the year ended 31st March, 2018.
- 3) They have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- 4) They have prepared the annual accounts for the financial year ended 31st March, 2018 on a going concern basis.
- 5) They have laid down proper and sufficient internal financial controls and policies and procedures of such internal financial controls are adequate and operating effectively.
- 6) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. AUDITORS:

M/s. S Ramakrishnan Associates., Chartered Accountants, (ICAI Regn.No. 006637S) were appointed as Statutory Auditors of the Company to hold office from the conclusion of the Annual General Meeting (AGM) held on 21st September, 2017 until the conclusion of the 30th Annual General Meeting, subject to ratification of appointment by members at every subsequent AGM held after this AGM. The members are requested to ratify the appointment of the Statutory Auditors. The Statutory Auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and rules framed there under for their re-appointment as Statutory Auditors of the Company.

16. COMMENTS ON AUDITORS' REPORT:

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. S Ramakrishnan Associates, Statutory Auditors, in their report. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

17. SECRETARIAL AUDIT:

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company has appointed Shri. S. Ananthanarayan, Practising Company Secretary as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2018. The Secretarial Audit Report is attached with this report as **Annexure – A**.

Reply to point 4 of the Secretarial Auditor's report:

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

EURO LEDER FASHION LIMITED

18. EXTRACTS OF THE ANNUAL RETURN:

The extract of Annual Return of the Company in prescribed Form MGT – 9 for the financial year ended 31st March, 2018 is attached to the report by way of Annexure – B.

19. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

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

20. 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.

21. 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 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.

22. 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.

23. RELATED PARTY TRANSACTIONS:

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

24. MANAGEMENT DISCUSSION AND ANALYSIS:

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

25. 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.

26. LISTING WITH STOCK EXCHANGE:

The Company's equity shares are listed in BSE Ltd. The annual listing fee has been paid for the year 2018- 2019.

EURO LEDER FASHION LIMITED

27. 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.

28. 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.

29. 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.

30. ANNUAL EVALUATION BY THE BOARD:

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.

31. 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.

32. 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.

On Behalf of the Board.

Place: Chennai
Date: 27.06.2018

RM. Lakshmanan
Whole Time Director
(DIN: 00039603)

S.Jambunath
Director
(DIN: 00077420)

EURO LEDER FASHION LIMITED

ANNEXURE - A

Secretarial Audit Report
(For the Year ended 31 March, 2018)

Form No. MR-3

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

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Euro-Leder Fashion Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. Members are requested to read this report along with my letter of even date annexed to this report as Annexure- 1.

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Euro-Leder Fashion Limited** ("The Company") for the year ended March 31, 2018 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR)
 - vi. The Memorandum and Articles of Association.

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

Other Laws applicable to the Company

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

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

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

2. I have been informed that for the financial year ended March 31, 2018

- i. the Company was not required to maintain books, papers, minute books, forms and returns according to the provisions of following Regulations and Guidelines under SEBI Act:
 - (a) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Option Purchase Scheme) Guidelines, 1999;
 - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
 - (e) The Maternity Benefit Act, 1961
 - (f) Competition Act, 2002
 - (g) Legal Metrology Act, 2009.
- ii. there are no laws specifically applicable to the Company, the books, papers, minute books, forms and returns of which were required to be examined by me for the purpose of the audit.

3. I have examined compliance with the Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

4. During the period under review, to the best of my knowledge and belief and according to the information and explanations given to me, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned in paragraph 1 above to the extent applicable except the following:

The company has not appointed a Company Secretary

5. I further report that

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

EURO LEDER FASHION LIMITED

- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

6. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

7. I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Chennai
Date: May 25, 2018

S. ANANTHANARAYAN
FCS 2713, CP 1828

Annexure- 1 to the Secretarial Audit Report of even date

To

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

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

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

Place : Chennai
Date : May 25, 2018

S. ANANTHANARAYAN
FCS 2713, CP 1828

Annexure - B

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2018

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	Public Company / Having a Share Capital		
(v) Address of the Registered office and contact details	99, G.S.T. Road, Pallavaram, Chennai- 600043 Tel: 044-42943204 / 42943203 / 42943202		
(vi) Whether listed Company If yes, details of stock exchanges where shares are listed	Yes		
	S.No	Stock Exchange Name	Code
	1	Bombay Stock Exchange	INE940E01011
(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	90%

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

IV. SHARE HOLDING PATTERN (EQUITY)

Category of Shareholders	No. of shares held at the beginning of the year (As on 31-March-2017)				No. of shares held at the end of the year (As on 31-March-2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	1257752	518900	1776652	39.71	1148393	518900	1667293	37.27	-2.45
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)	1257752	518900	1776652	39.71	1148393	518900	1667293	37.27	-2.45
(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)	1257752	518900	1776652	39.71	1148393	518900	1667293	37.27	-2.45

EURO LEDER FASHION LIMITED

IV. SHARE HOLDING PATTERN (EQUITY)

Category of Shareholders	No. of shares held at the beginning of the year (As on 31-March-2017)				No. of shares held at the end of the year (As on 31-March-2018)				% 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	0.40	0	17700	17700	0.40	0
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	0.40	0	17700	17700	0.40	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	45350	0	45350	1.01	49804	0	49804	1.11	0.10
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	533300	1425896	1959196	43.80	587007	1409396	1996403	44.63	0.83
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	314207	278200	592407	13.24	351562	278200	629762	14.07	0.84
c) Others (specify)									
Clearing Member	995	0	995	0.022	0	0	0	0	-0.02
Hindu Undivided Families	20212	0	20212	0.45	48405	0	48405	1.08	0.63
Non Resident Indians	21288	39400	60688	1.36	27233	36400	63633	1.42	0.06
Any Others	0	400	400	0.009	0	600	600	0.01	0.001
Sub-total (B)(2):-	935352	1743896	2679248	59.89	1064011	1724596	2788607	62.33	2.45
Total Public Shareholding (B)=(B)(1)+ (B)(2)	935352	1761596	2696948	60.29	1064011	1742296	2806307	62.73	2.45
TOTAL (A)+(B)	2193104	2280496	4473600	100.00	2212404	2261196	4473600	100.00	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2193104	2280496	4473600	100.00	2212404	2261196	4473600	100.00	0

EURO LEDER FASHION LIMITED

B) Shareholding of Promoter-

S.No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Narayan S	200	0.00	0	200	0.00	0	0
2.	Ramanathan AR C/o Euro Investments	100	0.00	0	100	0.00	0	0
3.	Ramanathan AR	600	0.01	0	600	0.01	0	0
4.	AR Ramanathan	0	0	0	15341	0.34	0	0.34
5.	Lakshmanan RM	10,80,495	24.15	0	10,80,495	24.15	0	0
6.	Meenal N	1,23,100	2.75	0	1,23,100	2.75	0	0
7.	Meenal L	1,59,657	3.57	0	1,59,657	3.57	0	0
8.	Arun RM	1,36,400	3.05	0	1,36,400	3.05	0	0
9.	Meenal RM	2,32,600	5.20	0	1,07,900	2.41	0	-2.79
10.	Rakkaye Annamalai	5,000	0.11	0	5,000	0.11	0	0
11.	Lakshmanan RM Ramanathan AR	38,500	0.86	0	38,500	0.86	0	0
	Total	17,76,652	39.71	0	16,67,293	37.27	0	-2.45

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	Meenal RM At the beginning of the year	2,32,600	5.20	2,32,600	5.20
	Date wise Increase / Decrease in Promoters Shareholding during the year:	1,24,700	2.79	1,07,900	2.41
	At the end of the year	1,07,900	2.41	1,07,900	2.41

D) Shareholding Pattern of top ten Shareholders:

S No	Name	Shareholding at the beginning of the year (as on 01.04.2017)		Date	Increase / Decrease in Share holding	% of Total Shares of the Company	Reason For Increase / Decrease	Cumulative Shareholding during the year (01.04.2017 – 31.03.2018)	
		No. of shares	% of total shares of the company					No. of shares	% of total shares of the company
1.	Indira Chidambaram Meenakshisundarm Chidambaram	99,300	2.22	—	—	—	—	99,300	2.22
2.	Meyappan	92,400	2.06	—	—	—	—	92,400	2.06
3.	Veena Devi N	56,300	1.25	—	—	—	—	56,300	1.25

EURO LEDER FASHION LIMITED

4.	Mangala Sadavatre	29,900	0.6683	12.05.2017	-400	(0.0089)	Market Sale	29,500	0.6594
				11.08.2017	200	0.0044	Market Purchase	29,700	0.6638
				20.10.2017	-328	(0.0073)	Market Sale	29,372	0.6565
				01.12.2017	-672	(0.0150)	Market Sale	28,700	0.6415
				08.12.2017	-1000	(0.0223)	Market Sale	27,700	0.6191
5	Managal Sadashiv Sadavatre	6100	0.1365	29.09.2017	-500	(0.0111)	Market Sale	5610	0.1254
6	REKHA	23,000	0.5141	21.04.2017	-670	(0.0149)	Market Sale	22330	0.4991
				29.12.2017	-1000	(0.0223)	Market Sale	21330	0.4767
				12.01.2018	-1360	(0.0304)	Market Sale	19970	0.4463
				19.01.2018	-2605	(0.0582)	Market Sale	17365	0.3881
				02.02.2018	-137	(0.0030)	Market Sale	17228	0.3851
7	Y GOKUL	22,918	0.5122	09.06.2017	-3606	(0.0806)	Market Sale	19312	0.4316
				21.07.2017	-2150	(0.0480)	Market Sale	17162	0.3836
8	Subramanian P	133450	2.9830	—	0	0	0	133450	2.9830
9	Sanjay Suresh Khedkar	33,768	0.75	08.12.2017	-600	(0.0134)	Market Sale	33168	0.7414
10	Palaniappan SP	18,800	0.4202	—	—	—	—	18,800	0.4202
11	P RAJMOHAN	15000	0.3353	21.07.2017	-2000	(0.0477)	Market Sale	13000	0.8455
12	Mita Dipak Singh	0	0	16.06.2017	37827	0.8455	Market Purhcase	37827	0.8455
13	Mita Shah	0	0	01.04.2017	1640	0.0366	Market Purhcase	1640	0.0366
				12.05.2017	7979	0.1783	Market Purhcase	9619	0.2150
				19.05.2017	2562	0.0572	Market Purhcase	12181	0.2722
				09.06.2017	23646	0.5285	Market Sale	35827	0.8008
				16.06.2017	-35827	(0.8008)	Market Sale		
14	Babu Lal Jain	0	0	01.04.2017	10217	0.2283	Market Purhcase	10217	0.2283
				17.11.2017	2500	0.0558	Market Purhcase	12717	0.2842
				24.11.2017	1362	0.0304	Market Purhcase	14079	0.3147
				01.12.2017	-862	(0.0192)	Market Sale	13217	0.2954
				08.12.2017	-2000	(0.0447)	Market Sale	11217	0.2507
				22.12.2017	8300	0.1855	Market Purhcase	19517	0.4362

EURO LEDER FASHION LIMITED

E) Shareholding of Directors and Key Managerial Personnel:

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

V. INDEBTEDNESS

(in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	16,76,41,879	0	0	16,76,41,879
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	16,76,41,879	0	0	16,76,41,879
Change in Indebtedness during the financial year				
* Addition	3,11,61,331	0	0	3,11,61,331
* Reduction	4,11,94,515	0	0	4,11,94,515
Net Change	-1,00,33,184	0	0	-1,00,33,184
Indebtedness at the end of the financial year				
i) Principal Amount	15,76,08,695	0	0	15,76,08,695
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	15,76,08,695	0	0	15,76,08,695

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

((in Rs.))

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

EURO LEDER FASHION LIMITED

B. Remuneration to other directors:

(in Rs.)

S No. 1	Particulars of Remuneration Independent Directors	Name of Directors				Total Amount
		N Meenakshi sundaram	S Jambunath	P S Nathan	S Jayamalini	
	Fee for attending board committee meetings	16,000	16,000	NIL	8,000	40,000
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	16,000	16,000	0	8,000	40,000
	Total Managerial Remuneration	16,000	16,000	0	8,000	4,000
	Overall Ceiling as per the Act	As prescribed under Companies Act, 2013 and rules made there under.				

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

S No	Particulars of Remuneration	Key Managerial Personnel M Nagendra – Chief Financial Officer	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,65,000	3,65,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,54,000	2,54,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—
2	Stock Option	—	—
3	Sweat Equity	—	—
4	Commission	—	—
5	Others, please specify	—	—
	Total	6,19,000	6,19,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE

On Behalf of the Board

Chennai
27.06.2018

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

S.Jambunath
Director
(DIN: 00077420)

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;

The Company has been laying emphasis on the conservation of energy and taking several measures like effective control on utilization of energy and regular monitoring of its consumption etc. The adoption of energy conservation measures has helped the Company in reduction of cost and reduced machine down-time.

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

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

(iii) the capital investment on energy conservation equipments;

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

II. TECHNOLOGY ABSORPTION

Research and Development

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

Technology absorption, adaptation and innovation

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

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

EARNINGS:

F O B Value of Exports. : Rs.7154.12 Lakhs

Out Go:

Foreign Travel : Rs.39.06 Lakhs

On Behalf of the Board

Chennai
27.06.2018

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

S.Jambunath
Director
(DIN: 00077420)

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:

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

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

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	Smt. L. Meenal, Wife Of Director
(b)	Nature of contracts/arrangements/transactions	Payment of Rent
(c)	Duration of the contracts / arrangements/transactions	11 months
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs.18,00,000/- p.a.
(e)	Date(s) of approval by the Board	31 st July, 2016
(f)	Amount paid as advances, if any	Rs.15,00,000/-

On Behalf of the Board

Chennai
27.06.2018

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

S.Jambunath
Director
(DIN: 00077420)

EURO LEDER FASHION LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We herewith submit Management Discussion and Analysis Report on the business of the Company for the year ended 31st March, 2018 in this we have attempted to include discussion on all the specified matters to the extent relevant or within limits that in our opinion are imposed by the Company's own competitive position.

1. COMPANY AND INDUSTRY STRUCTURE:

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

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

2. REVIEW OF OPERATIONS:

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

	2017-18	2016-17
SALES	7512.16	7267.70
EXPORTS	7403.78	7170.19

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.4534/ 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.22 crores. The Company's strength lies in the quality of its products and the promising looks continued patronage of its buyers. However the realization per garment is likely to be low. The peak season is due to start shortly. The order position is healthy and the Company should register a healthy improvement in its performance in 2019-2020.

EURO LEDER FASHION LIMITED

4. ENVIRONMENT AND SAFETY:

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

5. HUMAN RESOURCES:

The initiatives undertaken by the Human Resources Department is always aimed at operationalizing the company's Vision and long term & short term strategy. After long discussion and deliberations through Core Team, Management Team and Senior Management, the company recast the organization structure with a well defined role and job responsibility for each of the position. The Performance Management Process has been introduced for the senior management of the company and it is planned to take PMS process to the next level in financial year 2018-19.

6. OTHER MATTERS:

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

7. CAUTIONARY STATEMENT:

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

Place: Chennai
Date: 27.06.2018

On Behalf of the Board

RM.Lakshmanan
Whole Time Director
DIN: 00039603

S.Jambunath
Director
DIN: 00077420

EURO LEDER FASHION LIMITED

Independent Auditor's Report

To the Members of Euro Leder Fashion Limited

1. Report on the Standalone Financial Statements

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, 2018, 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").

2. 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Standalone financial statements by the Directors of the Company, as aforesaid.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the Standalone financial statements.

EURO LEDER FASHION LIMITED

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

4. Opinion

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, 2018; and its Profit, Total Comprehensive Income, the changes in Equity, and Cash Flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Company, we give in the Annexure-A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Standalone financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Standalone financial statements.
- (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors of the Company, none of the directors of the Company are disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure – B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the financial position of the Company.
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Chennai
Date: 30.05.2018

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

(S. Ramakrishnan)
Partner
Membership No.025936

EURO LEDER FASHION LIMITED

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 5.1 of the Independent Auditor's 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 2018.

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, 2018 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
8. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution and banks
9. Based on our audit procedures and according to the information and explanations given to us, the Company did not raise any money by way of further public offer (including debt instruments) during the year. According to the information and explanations given by the management, term loans were applied for the purpose for which the loans were obtained.
10. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

EURO LEDER FASHION LIMITED

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

Place: Chennai
Date: 30.05.2018

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

(S. Ramakrishnan)
Partner
Membership No.025936

ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Euro Leder Fashion Limited ("the Company") as of 31st March 2018 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 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Chennai
Date: 30.05.2018

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

(S. Ramakrishnan)
Partner
Membership No.025936

EURO LEDER FASHION LIMITED

**M/S EURO LEDER FASHION LIMITED
BALANCE SHEET AS AT MARCH 31, 2018**

CIN:L18209TN1992PLC022134

(Amount in Rs.)

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
NON CURRENT ASSETS				
(a) Property, plant and equipment	6	13,01,88,978.16	11,36,73,600.30	2,12,85,039.04
(b) Capital work-in-progress	6	19,39,377.28	19,39,377.28	19,39,377.28
(c) Financial assets				
(i) Investments	7	8,751.00	8,751.00	8,751.00
(ii) Other financial assets	8	3,42,72,668.74	3,24,28,036.77	2,96,77,984.77
Total non-current assets		16,64,09,775.18	14,80,49,765.35	5,29,11,152.09
CURRENT ASSETS				
(a) Inventories	9	8,08,56,768.00	4,46,91,199.00	3,52,36,703.00
(b) Financial Assets				
(i) Investments	10	1,26,69,257.79	1,22,15,790.05	23,60,000.00
(ii) Trade receivables	11	13,06,94,700.52	14,42,64,362.40	14,64,86,914.00
(iii) Cash and cash equivalents	12	8,253.45	8,179.45	8,537.95
(iv) Bank balance other than (iii) above	13	5,02,78,144.10	7,14,26,707.29	9,40,38,552.65
(v) Short term Loans and advances	14	4,38,74,474.55	1,54,77,199.09	1,31,44,520.03
(c) Other current assets	15	5,28,61,361.82	2,45,56,120.49	1,66,94,392.70
Total Current assets		37,12,42,960.23	31,26,39,557.77	30,79,69,620.33
TOTAL ASSETS		53,76,52,735.41	46,06,89,323.12	36,08,80,772.42
EQUITY AND LIABILITIES				
Equity				
a) Equity Share capital	16	3,90,80,000.00	3,90,64,250.00	3,90,51,750.00
b) Other Equity	17	8,40,03,624.84	7,68,77,466.37	7,07,23,729.39
Total Equity		12,30,83,624.84	11,59,41,716.37	10,97,75,479.39
Liabilities				
Non-current liabilities				
a) Deferred tax liabilities (Net)	18	10,69,507.00	5,83,756.00	11,48,326.00
b) Other long term liabilities	19	21,61,119.00	16,01,879.00	31,66,492.00
c) Long term provisions	20	1,34,73,103.00	1,13,73,103.00	94,73,103.00
Total Non-current liabilities		1,67,03,729.00	1,35,58,738.00	1,37,87,921.00
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	21	15,76,08,695.19	16,76,41,879.19	14,81,26,644.19
(ii) Trade payables	22	14,51,35,354.88	10,42,69,164.44	1,88,32,684.41
b) Other current liabilities	23	8,85,21,331.50	5,36,77,825.12	6,63,58,043.43
c) Short-term provisions	24	66,00,000.00	56,00,000.00	40,00,000.00
Total current liabilities		39,78,65,381.57	33,11,88,868.75	23,73,17,372.03
TOTAL EQUITY AND LIABILITIES		53,76,52,735.41	46,06,89,323.12	36,08,80,772.42

Notes form part of these financial statements

As per our report of even date attached

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

For and on behalf of the Board of Directors

S.Ramakrishnan
Partner
Membership No.025936

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

S.Jambunath
Director
(DIN: 00077420)

M.Nagendra
Chief Financial Officer

Place:Chennai
Dated :30.05.2018

EURO LEDER FASHION LIMITED

M/S EURO LEDER FASHION LIMITED

CIN:L18209TN1992PLC022134

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in Rs.)

Particulars	Note	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations	25	82,59,19,143.23	80,29,25,656.40
Other income	26	1,92,95,131.69	2,57,35,290.36
Total Revenue		84,52,14,274.92	82,86,60,946.76
Expenses			
Cost of materials consumed	27	65,40,27,916.96	62,36,13,980.40
Purchases of Stock-in-Trade			
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	28	-97,16,050.00	-50,70,600.00
Employee benefits expense	29	4,63,57,372.47	4,47,46,109.50
Finance costs	30	1,44,38,405.81	1,53,83,929.35
Depreciation and amortization expense	31	38,09,757.00	30,62,597.00
Other expenses	32	12,55,84,963.21	13,73,26,907.53
Total Expenses		83,45,02,365.45	81,90,62,923.78
Profit before tax		1,07,11,909.47	95,98,022.98
Tax expense:			
Current tax		31,00,000.00	35,00,000.00
Deferred tax		4,85,751.00	2,99,053.00
Profit and loss appropriation account		-	-3,54,767.00
Total tax expense		35,85,751.00	34,44,286.00
Profit after tax from continuing operations		71,26,158.47	61,53,736.98
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		71,26,158.47	61,53,736.98
Earnings per equity share:			
Basic		2.74	2.46
Diluted		2.74	2.46

Notes form part of these financial statements

As per our report of even date attached

For S.Ramakrishnan Associates

For and on behalf of the Board of Directors

Chartered Accountants

Firm Regn No:006637S

S.Ramakrishnan

Partner

Membership No.025936

Place:Chennai

Dated :30.05.2018

RM.Lakshmanan
Whole Time Director

(DIN: 00039603)

S.Jambunath
Director

(DIN: 00077420)

M.Nagendra
Chief Financial Officer

EURO LEDER FASHION LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(Amount in Rs.)

	Year ended 31.03.2018	Year ended 31.03.2017
A. Cash flow from operating activities		
Profit for the year	1,07,11,909.47	95,98,023.00
Adjustments for:		
Depreciation and amortisation expense	38,09,757.00	30,62,597.00
(Profit) / loss on sale / write off of assets	5,80,781.00	3,29,192.00
Finance Cost	94,63,922.00	1,14,14,863.00
	1,38,54,460.00	1,48,06,652.00
Operating profit / (loss) before working capital changes	2,45,66,369.47	2,44,04,675.00
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	-3,61,65,569.00	-94,54,496.00
Trade receivables	1,35,69,661.88	22,22,551.00
Loans and other financial assets	-2,88,50,743.20	-1,21,88,469.11
Other current assets	-2,83,05,241.33	-78,61,727.89
Other Non-current assets	-18,44,631.97	-27,50,052.00
	-8,15,96,523.62	-3,00,32,194.00
Adjustments for increase / (decrease) in operating liabilities:		
Other current liabilities & Provisions		
Trade payables	4,08,66,190.44	8,54,36,480.00
Other financial and current liabilities	3,48,43,506.38	-1,26,80,218.31
Other Non-current liabilities	31,44,991.00	-2,29,183.00
Provisions	-56,85,751.00	-53,44,286.69
	7,31,68,936.82	6,71,82,792.00
Cash flow from extraordinary items	15,750.00	12,500.00
Cash generated from operations	1,61,54,532.67	6,15,67,773.00
Net income tax (paid) / refunds	31,00,000.00	35,00,000.00
Net cash flow from / (used in) operating activities (A)	1,92,54,532.67	6,50,67,773.00
B. Cash flow from investing activities		
Capital expenditure on Property Plant & Equipment including capital advances	-2,10,10,203.86	-9,59,05,348.91
Proceeds from sale of Property Plant & Equipment	1,04,288.00	1,25,000.00
Net cash flow from / (used in) investing activities (B)	-2,09,05,915.86	-9,57,80,348.91

EURO LEDER FASHION LIMITED

	Year ended 31.03.2018	Year ended 31.03.2017
C. Cash flow from financing activities		
Net increase / (decrease) in working capital borrowings	-1,00,33,184.00	1,95,15,235.00
Finance cost	-94,63,922.00	-1,14,14,863.00
Net cash flow from / (used in) financing activities (C)	-1,94,97,106.00	81,00,372.00
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	-2,11,48,489.19	-2,26,12,203.86
Opening Cash and cash equivalents as at 01.04.2017	7,14,34,886.74	9,40,47,090.60
Closing Cash and cash equivalents as at 31.03.2018	5,02,86,397.55	7,14,34,886.74
* Comprises:		
(a) Cash on hand	8,253.45	8,179.45
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts	24,35,930.18	4,56,176.37
(ii) In EEFC accounts	34,33,596.00	1,67,534.00
(iii) In deposit accounts with original maturity of less than 3 months	4,44,08,617.92	7,08,02,996.92
(iv) In earmarked accounts (Refer Note (ii) below)		
(d) Others (specify nature)		
(e) Current investments considered as part of Cash and cash equivalents	5,02,86,397.55	7,14,34,886.74
This is the cash flow statement referred to in our report of even date	-	-

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

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

For and on behalf of the Board of Directors

S.Ramakrishnan
Partner
Membership No.025936

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

S.Jambunath
Director
(DIN: 00077420)

M.Nagendra
Chief Financial Officer

Place:Chennai
Dated :30.05.2018

EURO LEDER FASHION LIMITED

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

Equity Share Capital

Particulars	Amount
Equity shares of Rs.10 each issued, subscribed and fully paid	
Balance at April 01, 2016	3,90,51,750.00
Changes in equity share capital during the year	12,500.00
Balance at March 31, 2017	3,90,64,250.00
Changes in equity share capital during the year	15,750.00
Balance at March 31, 2018	3,90,80,000.00

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, 2016	7,07,23,729.39	-	-		-	7,07,23,729.00
Changes in the equity for the year March 31, 2017						
Profits for the year	61,53,736.98		-		-	61,53,737.00
Other comprehensive income for the year	-	-	-		-	
Balance as of March 31, 2017	7,68,77,466.00	-	-	-	-	7,68,77,466.00
Changes in the equity for the year March 31, 2018						
Profits for the year	71,26,158.47	-	-	-	-	71,26,158.00
Other comprehensive income for the year	-	-	-		-	
Balance as of March 31, 2018	8,40,03,624.00	-	-	-	-	8,40,03,624.00

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

For and on behalf of the Board of Directors

S.Ramakrishnan
Partner
Membership No.025936

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

S.Jambunath
Director
(DIN: 00077420)

M.Nagendra
Chief Financial Officer

Place:Chennai
Dated :30.05.2018

EURO LEDER FASHION LIMITED

Notes forming part of the financial statements for the year ended 31st March 2018

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

1. General Information

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

2. Basis of preparation and presentation of financial statements

i. The financial statements for the period up to 31.03.2017 were prepared in accordance with Accounting Standards notified under section 133 of the companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 (previous GAAP). Pursuant to the mandatory requirement for adoption of Indian Accounting Standards (IND AS) as notified by Ministry of Corporate Affairs (MCA), the company has prepared its financial statements for the year commencing 01-04-2017 in accordance with Indian Accounting Standards (IND AS) notified under the companies (Indian Accounting Standards) Rules 2015 as amended from time to time. The comparative figures in the financial statements with respect to the previous year have been restated in accordance with IND AS requirements. While preparing these financial statements, the company has first prepared its opening Balance sheet as per IND AS requirements as at 01-04-2016.

ii. The significant accounting policies used in preparing the financial statements are set out in Note No.5

3. First time adoption of IND AS

The financial statements for the year commencing 01-04-2017 are the first financial statements prepared in accordance with IND AS. The Reconciliation and description of the effect of transition from previous GAAP to IND AS on Equity, Statement of Profit and Loss are provided in Note No. 37. The Balance sheet as on the date of transition has been prepared in accordance with IND AS 101 -First time adoption of Indian Accounting Standards (IND AS). All applicable IND AS were applied consistently and retrospectively in preparation of the first IND AS Financial Statements with certain mandatory exceptions and voluntary exemptions for the specific cases as provided under IND AS 101.

A) Mandatory Exceptions from retrospective application

The Company has applied the following exceptions to the retrospective application of IND AS as mandatorily required under IND AS 101:

(i) Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under IND AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under IND AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

(ii) Classification and measurement of financial assets

The Company has evaluated the facts and circumstances existing on the date of transition to IND AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured financial assets on the date of transition.

EURO LEDER FASHION LIMITED

B) Voluntary Exemptions from retrospective application

IND AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under IND AS. The Company has elected to apply the following optional exemptions from retrospective application:

(i) Deemed cost for property, plant and equipment and intangible assets

The Company has elected to measure all its property, plant and equipment and intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to IND AS.

(ii) Designation of previously recognised financial instruments

The company has designated all investment in an equity instruments at FVTOCI in accordance with IND AS 109, based on the assessment made on the date of transition to IND AS.

4. Basis of Measurement

The financial statements have been prepared on accrual basis under historical cost convention except for certain financial instruments (Refer Note 5.17- Accounting Policy for Financial Instruments) which are measured at fair value.

5. Significant Accounting Policies

5.1 Property, Plant and Equipment (PPE)

i) Property, Plant and Equipment are stated at cost of acquisition net of accumulated depreciation/ amortization and impairment losses if any, except free hold land which is carried at cost less impairment losses if any. The cost comprises purchase prices, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition forth intended use.

ii) The Company identifies the significant parts of plant and equipment separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives. The cost of replacement of significant parts are capitalized and the carrying amount of replaced parts are de-recognized. When each major inception/ overhauling is performed, its cost is recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/ overhauling (as distinct from physical parts) is de- recognized.

iii) Other expenses on fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalization criteria in accordance with IND AS 16 are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

iv) PPEs are eliminated from the financial statements on disposal or when no further benefit is expected from its use or disposal. Gains or losses arising from disposal of plant, property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of such assets are recognized in the statement of profit and loss.

v) Depreciation for plant and machinery has been provided on Straight line method and for all other assets Written down value method has been followed.

vi) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

vii) Upon first- time adoption of IND AS, the company has elected to measure all its property, plant, equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to IND AS i.e., 1st April, 2016.

5.2 Capital Work in progress

Capital work in progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at reporting date.

5.3 Current or Non-Current classification

An asset or liability is classified as current if it satisfies any of the following conditions:

- i) Asset or liability is expected to be realized in the company's normal settlement cycle.
- ii) Asset is intended for sale or consumption.
- iii) Asset or liability is held primarily for the purpose of trading.
- iv) Asset or liability is expected to be realized or settled within twelve months after reporting period.

5.4 Intangible assets

i) The cost of computer software that are installed are accounted at cost of acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any. Internally generated software is not capitalized and the expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

ii) The residual values, useful lives and methods of depreciation of intangible assets are reviewed at each reporting date and adjusted prospectively, if appropriate.

5.5 Inventories

i) Inventories are valued at cost or net realizable value whichever is lower. Cost includes the cost incurred in bringing the inventories to their present location and condition.

ii) Raw materials, stores and spares are valued at cost or net realizable value whichever is lower. Cost includes the cost incurred in bringing the inventories to their present location and condition. For cost calculation of Raw materials as it is not ordinarily inter changeable specific identification method is used. For cost calculation of stores and spares weighted average method is used.

iii) For valuation of finished goods / stock-in-process, cost includes material, direct labour, overheads (other than abnormal amount of wasted materials, storage costs, selling and administrative overheads) wherever applicable.

5.6 Revenue Recognition

i) Revenue is recognized to the extent that is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

ii) Sale of products is recognized when the significant risk and reward of ownership of the goods have been passed to the buyer. Revenue is measured at fair value of the consideration received or receivable, after deduction of any taxes or duties collected on behalf of the government which are levied on sales such as VAT, GST, etc.

iii) Dividend income, if any, is recognized when the company's right to receive dividend is established by the reporting date.

iv) Interest income from financial assets is recognized at the effective interest rate applicable on initial recognition.

v) Scrap sales is recognized at the fair value of consideration received or receivable upon transfer of significant risk and rewards. It comprises of invoice value of goods and after deducting applicable taxes on sale.

5.7 Employee Benefits

i) Short-term employee benefits viz., salaries and wages are recognized as expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.

ii) Defined contribution plan viz., contribution to provident fund is recognized as an expense in the statement of profit and loss for the year in which the employees have rendered services. The company contributes to provident fund administered by the Government on a monthly basis at 12% of employee's basic salary. There are no other obligation other than the above defined contribution plan.

iii) Defined Benefit Plan.

EURO LEDER FASHION LIMITED

Gratuity:

Provision for accrued liability of gratuity is made on the basis of going concern (not actuarially) determined and in terms of the payment of Gratuity Act, 1972.

Leave Encashment:

As per policy of the company unavailed leave, casual leave/ earned leave cannot be carried forward or encashed and hence there is no additional cost. The company recognize the cost as expense as and when the employee avails paid leave.

5.8 Provision, Contingent Liability and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as result of past events and it is probable that there will be outflow of resources. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. Contingent liabilities not provided for, are disclosed in the accounts by way of Notes.

5.9 Cash Flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

5.10 Borrowing Cost

i) Borrowing cost include interest computed using Effective Interest Rate method, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

ii) Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalized as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalization by applying capitalization rate to the expenditure incurred on such cost. The capitalization rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalizes during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings cost are expensed in the period in which they occur.

5.11 Government Subsidy / Grant

i) Government grants are recognized at fair value on accrual basis where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.

ii) In case of revenue related grant, the income is recognized on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other operating revenue" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets". Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".

iii) In case of grant relates to an asset, it is recognized as income over the expected useful life of the related asset.

5.12 Foreign Currency Transactions

Foreign Currency Transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the reporting date exchange rates are recognized in the statement of Profit and Loss. Non- monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rates at the time of transaction.

5.13 Earnings Per Share

Basic Earnings per share is calculated by dividing the Net profit or loss after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting the Profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

5.14 Income Tax

The tax provision is considered as stipulated in IND AS 12 and includes current and deferred tax liability. The company recognizes the accumulated deferred tax liability based on accumulated time difference using current tax rate. The company as a conservative measure does not reckon deferred tax asset. Both the current tax and deferred tax liability relating to items recognized outside the profit or loss is recognized either in "other Comprehensive Income" or directly in "Equity" as the case may be.

The company has considered credit entitlement of Minimum Alternate Tax (MAT) where it is reasonably certain that the credit will be available for set-off in accordance with the provision of the Income Tax Act, 1961.

5.15 Segment Reporting

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities.

Information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of performance is being done in a consolidated basis with respect to its operations and with respect to customers. Hence there are no separate segments identified for the purpose of segment reporting.

5.16 Impairment of Non- financial Assets

i) The carrying values of non-financial assets are reviewed for impairment at each Balance Sheet date, if there is any indication of impairment based on internal and external factors.

ii) Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation / amortization for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight line basis.

iii) An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

iv) An impairment loss is reversed when there is an indication that the impairment loss may no longer exist or may have decreased.

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5.17 Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

5.18 Financial Asset

i) Financial assets comprise of investments in Equity, Trade Receivables, Cash and Cash Equivalents and Other Financial Assets.

ii) Depending on the business model (i.e) nature of transactions for managing those financial assets and its contractual cash flow characteristics, the financial assets are initially measured at fair value and subsequently measured and classified at:

a) Amortized cost; or

b) Fair value through Other Comprehensive Income (FVTOCI); or

c) Fair value through Profit or Loss (FVTPL)

d) Amortized cost represents carrying amount on initial recognition at fair value plus or minus transaction cost.

iii) The Company classifies its financial assets for measurement as below:-

Basis of Measurement	Financial Assets
Amortized cost	Trade receivables, Loan and advances given to employees and related parties, deposits and other advances recoverable in cash or kind.
FVTOCI	Investment in Equity instruments
FVTPL	Forward exchange contracts.

iv) The company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset or part thereof, the difference between the carrying amount measured at the date of recognition and the consideration received including any new asset obtained less any new liability assumed shall be recognized in the statement of profit and Loss.

v) The company assesses at each balance sheet date whether the financial asset or group of financial assets is impaired. IND AS 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

5.19 Financial Liability

i) Financial liabilities comprise of Borrowings from Banks, Trade payables, Derivative financial instruments, financial guarantee obligation and other financial liabilities.

EURO LEDER FASHION LIMITED

ii) The Company measures its financial liabilities as below:

Basis of Measurement	Financial Liability
Amortised cost	Borrowings, trade payables, interest accrued, Unclaimed/ Disputed dividends, security deposits and other financial liabilities not for trading.
FVTPL	Foreign exchange Forward contracts being derivative contracts do not qualify for hedge accounting under IND AS 109.

iii) Financial liabilities are derecognised when and only when it is extinguished (i.e) when the obligation specified in the contract is discharged or cancelled or expired.

iv) Upon de-recognition of its financial liabilities or part thereof, the difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid including any non-cash assets transferred or liabilities assumed is recognized in the Statement of Profit and Loss.

5.20 Fair value measurement

i) 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.

ii) The fair value of an asset or a liability is measured / disclosed using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.

iii) All assets and liabilities for which fair value is measured are disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are unobservable.

iv) For assets and liabilities that are recognised in the Balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

v) For the purpose of fair value disclosures, the company has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

vi) The basis for fair value determination for measurement and / or disclosure purposes is detailed below:

a. Investments in Equity

The fair value is determined by reference to their quoted prices at the reporting date. In the absence of the quoted price, the fair value of the equity is measured using generally accepted valuation techniques.

b. Forward exchange contracts

The fair value of forward exchange contracts is based on the quoted price if available; otherwise it is estimated by discounting the difference between contractual forward price and current forward price for the residual maturity of the contract using government bond rates.

c. Non-derivative financial liabilities

The fair value of non-derivative financial liabilities viz, borrowings are determined for disclosure purposes calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

5.21 Significant Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Accordingly, the management has applied the following estimates / assumptions / judgements in preparation and presentation of financial statements:

(i) Property, Plant and Equipment, Intangible Assets and Investment Properties

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by technical team duly reviewed by the management at each reporting date. Wherever the management believes that the assigned useful life and residual value are appropriate, such recommendations are accepted and adopted for computation of depreciation/ amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

(ii) Current Taxes

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

(iii) Contingent Liabilities

Management judgement is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(iv) Impairment of Trade receivables

The impairment for financial assets are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

(v) Impairment of Non-financial assets (PPE/Intangible Assets / Investment Properties)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

(vi) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

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

		Gross Block				Depreciation				Net Block	
SI. No.	Particulars	As at 01.04.2016	Additions	Deletions	As at 31.03.2017	Balance as at 01.04.2016	For the Year	Adjustment	As at 31.03.2017	As at 31.03.2017	As at 01.04.2016
1	Plant & Machinery	1,96,83,468.99	29,31,760.26	-	2,26,15,229.25	58,19,809.20	11,94,634.00	-	70,14,443.20	1,56,00,786.05	1,38,63,659.79
2	Furniture & Fixtures	41,30,711.19	0.00	-	41,30,711.19	20,68,086.85	1,95,949.00	-	22,64,035.85	18,66,675.34	20,62,624.34
3	Motor Car	95,10,548.97	91,56,432.00	9,06,530.00	1,77,60,450.97	42,75,059.77	16,32,976.00	4,52,338.00	54,55,697.77	1,23,04,753.20	52,35,489.20
4	Computer	11,35,498.50	0.00	-	11,35,498.50	10,12,234.34	39,038.00	-	10,51,272.34	84,226.16	1,23,264.16
5	Land Purchase		83817158.00	-	8,38,17,158.00	-	-	-	-	8,38,17,158.00	-
	Total Current year Tangible Assets	3,44,60,227.64	9,59,05,350.26	9,06,530.00	12,94,59,047.90	1,31,75,190.16	30,62,597.00	4,52,338.00	1,57,85,449.16	11,36,73,598.74	2,12,85,037.48
6	Work In Progress	19,39,377.28	0.00	-	19,39,377.28	-	-	-	-	19,39,377.28	19,39,377.28
		19,39,377.28	0.00	-	19,39,377.28	-	-	-	-	19,39,377.28	19,39,377.28
	TOTAL	3,63,99,604.92	9,59,05,350.26	9,06,530.00	13,13,98,425.18	1,31,75,190.16	30,62,597.00	4,52,338.00	1,57,85,449.16	11,56,12,976.02	2,32,24,414.76
7	Intangible Assets										
	TOTAL	-	-	-	-	-	-	-	-	-	-
	GRAND TOTAL	3,63,99,604.92	9,59,05,350.26	9,06,530.00	13,13,98,425.18	1,31,75,190.16	30,62,597.00	4,52,338.00	1,57,85,449.16	11,56,12,976.02	2,32,24,414.76

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

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

EURO LEDER FASHION LIMITED

ASSETS	31.03.2018	31.03.2017	01.04.2016
6 NON CURRENT ASSETS			
(a) Property, plant and equipment	13,01,88,978.16	11,36,73,600.30	2,12,85,039.04
(b) Capital work-in-progress	19,39,377.28	19,39,377.28	19,39,377.28
Total Rs.	13,21,28,355.44	11,56,12,977.58	2,32,24,416.32
7 (c) Financial assets			
(i) Investments			
Equity Shares -Fully Paid up			
154 Shares in Lakshmi Vilas Bank Ltd	8,751.00	8,751.00	8,751.00
(Aggregate Value of quoted investment)			
Total Rs.	8,751.00	8,751.00	8,751.00
8 (ii) Other financial assets			
Unsecured Considered Good			
Capital Advances			
Rental and Security Deposits	93,97,098.52	91,24,224.52	88,84,224.52
Advance Income Tax & Self assessment tax	1,84,50,764.00	1,63,27,371.00	1,38,31,227.00
Others	64,24,806.22	69,76,441.25	69,62,533.25
Total Rs.	3,42,72,668.74	3,24,28,036.77	2,96,77,984.77
Total non-current assets	16,64,09,775.18	14,80,49,765.35	5,29,11,152.09
CURRENT ASSETS			
9 (a) Inventories			
(As Certified by the Director)			
Raw Materials including Scraps	5,06,28,951.00	2,74,87,441.00	2,47,38,592.00
Consumables	92,30,717.00	59,22,708.00	42,87,661.00
Work in Progress	41,85,000.00	15,47,500.00	7,75,000.00
Finished Goods	1,68,12,100.00	97,33,550.00	54,35,450.00
Total Rs.	8,08,56,768.00	4,46,91,199.00	3,52,36,703.00
10 (b) Financial Assets			
(i) Investments			
Canara Rebeco Gold Saving Fund	1,26,69,257.79	1,22,15,790.05	23,60,000.00
	1,26,69,257.79	1,22,15,790.05	23,60,000.00
11 (ii) Trade receivables			
Unsecured			
Debts overdue for a period exceeding six months			
- Considered Good (exceeds one year)	81,254.00	-	-
- Doubtful			
Other debts			
- Considered Good (Current Year receivables)	13,06,13,446.52	14,42,64,362.40	14,64,86,914.00
- Doubtful			
Total Rs.	13,06,94,700.52	14,42,64,362.40	14,64,86,914.00
Less: Provision for doubtful debts			
Total Rs.	13,06,94,700.52	14,42,64,362.40	14,64,86,914.00

EURO LEDER FASHION LIMITED

ASSETS	31.03.2018	31.03.2017	01.04.2016
12 (iii) Cash and cash equivalents			
Cash on hand	8,253.45	8,179.45	8,537.95
	8,253.45	8,179.45	8,537.95
13 (iv) Bank balance other than (iii) above			
In Current Accounts	24,35,930.18	4,56,176.37	36,71,385.73
In EEFC Accounts	34,33,596.00	1,67,534.00	79,664.00
In Deposit	4,44,08,617.92	7,08,02,996.92	9,02,87,502.92
Total Rs.	5,02,78,144.10	7,14,26,707.29	9,40,38,552.65
14 (v) Short term Loans and advances			
Unsecured - Considered Good			
Loans and advances	2,07,27,566.33	83,45,351.00	78,61,500.00
Rent Deposits	21,72,000.00	12,75,000.00	1,90,000.00
Other advances	2,09,74,908.22	58,56,848.09	50,93,020.03
Total Rs.	4,38,74,474.55	1,54,77,199.09	1,31,44,520.03
Less: Provision for doubtful debts			
Total Rs.	4,38,74,474.55	1,54,77,199.09	1,31,44,520.03
15 (c) Other current assets			
Duty Drawback Receivable	43,93,909.00	68,23,828.00	66,46,403.00
Vat in put credit receivable	1,00,45,051.48	1,77,32,292.49	1,00,47,989.70
GST receivables	3,84,22,401.34	-	-
Total Rs.	5,28,61,361.82	2,45,56,120.49	1,66,94,392.70
TOTAL CURRENT ASSETS	37,12,42,960.23	31,26,39,557.77	30,79,69,620.33
TOTAL CURRENT AND NON CURRENT ASSETS	53,76,52,735.41	46,06,89,323.12	36,08,80,772.42

EURO LEDER FASHION LIMITED

Note 16 Equity Share capital

Particulars	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	Number of shares	Rs.	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised 50,00,000 Equity Shares of Rs.10/- each	50,00,000	5,00,00,000	50,00,000	50,00,000	50,00,000	50,00,00,000
(b) Issued, Subscribed and Fully paid up Equity shares of Rs.10/- each with voting rights	44,73,600	4,47,36,000	44,73,600	4,47,36,000	44,73,600	4,47,36,000
Less: calls in arrears	7,54,133	56,56,000	7,56,233	56,71,750	7,57,900	56,84,250
		3,90,80,000		3,90,64,250		3,90,51,750

Notes:

- 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.
- 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.
- 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, 2018			
- Number of shares	44,73,600	-	44,73,600
- Amount (Rs.)	4,47,36,000	-	4,47,36,000
Year ended 31 March, 2017			
- Number of shares	44,73,600	-	44,73,600
- Amount (Rs.)	4,47,36,000	-	4,47,36,000

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

Class of shares / Name of shareholder	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights Shri.RM.Lakshmanan	10,80,495	24.15%	10,80,495	24.15%	10,80,495	24.15%

EURO LEDER FASHION LIMITED

Notes forming part of the Financial Statements for the year ended 31st March 2018

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
EQUITY AND LIABILITIES			
16 Equity			
a) Equity Share capital Authorized Capital 50,00,000 Equity Shares of Rs. 10/- each Issued, Subscribed and Paid up: 4473600 Equity Shares of Rs.10/- each fully paid up Less:calls in arrears	5,00,00,000.00 4,47,36,000.00 56,56,000.00	5,00,00,000.00 4,47,36,000.00 56,71,750.00	5,00,00,000.00 4,47,36,000.00 56,84,250.00
Total Rs.	3,90,80,000.00	3,90,64,250.00	3,90,51,750.00
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 2018, 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 31-03-2018	No of shares held 10,80,495 24.15	No of shares held 10,80,495 24.15	No of shares held 10,80,495 24.15
17 b) Other Equity Opening balance Net Profit For the current year Closing Balance	7,68,77,466.37 71,26,158.47 8,40,03,624.84	7,07,23,729.39 61,53,736.98 7,68,77,466.37	6,61,84,504.80 45,39,224.59 7,07,23,729.39
GENERAL RESERVE The general reserve is the profit transferred from retained earnings from time to time. There is no policy of regular transfer			
FVTOCI RESERVE Fair value through other comprehensive income reserve represents the balance in equity for items to be accounted in other comprehensive income (OCI). The company has opted to recognize the changes in the fair value of certain investments in equity instruments. The company transfers amount from this reserve to retained earnings in case of loss/gain on actual sale.			
RETAINED EARNINGS Represents the portion of net income / (loss) of the company that has been retained / carried over by the company.			

EURO LEDER FASHION LIMITED

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
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	10,69,507.00	5,83,756.00	11,48,326.00
19 b) Other Long term Liabilities	21,61,119.00	16,01,879.00	31,66,492.00
20 c) 'Long term provisions	1,34,73,103.00	1,13,73,103.00	94,73,103.00
Total Non-current liabilities	1,67,03,729.00	1,35,58,738.00	1,37,87,921.00
Current liabilities			
21 (a) Financial liabilities			
i) Short Term Borrowings-Secured -Ref Note No.21.1, 21.2 & 21.3 from Canara Bank			
a) Packing Credits	4,92,72,429.19	2,81,11,098.19	2,07,54,878.19
b) Bills negotiation with bank	8,33,36,266.00	12,45,30,781.00	12,73,71,766.00
c) Packing Credit foreign currency (in Rs.)	-	-	-
d) Canara Bank VSL MSE in Rs.	2,50,00,000.00	1,50,00,000.00	
TOTAL RS.	15,76,08,695.19	16,76,41,879.19	14,81,26,644.19
21.1 Deposit of title deeds of land at adyar belong to the one of the directors relative of the Company			
21.2 First charge on Hypothication of Raw materials, Work in progress, Finished goods, consumable stores and spares meant for Exports and all other movable goods and properties of every description, Book Debts Present and Future, Plant and Machinery . &			
21.3 Personal guarantee of Two directors of the company			
22 ii) 'Trade payables			
Trade Payable	14,51,35,354.88	10,42,69,164.44	1,88,32,684.41
	14,51,35,354.88	10,42,69,164.44	1,88,32,684.41
23 b) Other current liabilities			
Other Current Liabilities	8,68,73,653.93	5,20,28,326.58	6,52,23,499.29
Statutory Dues	11,41,646.00	7,26,877.40	5,96,852.00
Due to Directors	5,06,031.57	9,22,621.14	5,37,692.14
TOTAL RS	8,85,21,331.50	5,36,77,825.12	6,63,58,043.43
24 c) 'Short-term provisions			
Provision for Income Tax	66,00,000.00	56,00,000.00	40,00,000.00
	66,00,000.00	56,00,000.00	40,00,000.00
TOTAL CURRENT LIABILITIES	53,76,52,735.41	46,06,89,323.12	36,08,80,772.42

EURO LEDER FASHION LIMITED

25 Revenue from operations	Year ended 31 March 2018	Year ended 31 March 2017
SALE OF PRODUCTS		
Export Sales	74,03,78,192.00	71,69,13,052.00
Local Sales	-	64,06,247.00
Second Sales	94,470.00	45,843.40
GST SALES	86,06,298.87	1,05,500.00
CST SALES	21,36,608.00	32,99,619.00
	75,12,15,568.87	72,67,70,261.40
OTHER OPERATING REVENUES		
Duty Draw Back received	4,89,03,367.00	6,15,37,241.00
Import License Sold	2,58,00,207.36	1,46,18,154.00
TOTAL	7,47,03,574.36	7,61,55,395.00
TOTAL	82,59,19,143.23	80,29,25,656.40
26 Other Income		
INTEREST INCOME		
Interest received	32,58,424.73	47,88,836.00
Interest from ICICI Bank	-	16,451.00
Insurance Claim Received-Factory	-	36,03,275.00
Insurance Claim Received-Vehicle	-	-
Development charges	10,500.00	-
Discount Allowed & procesing income	30,404.33	36,747.00
Exchange Difference	1,59,95,802.63	1,72,89,981.36
TOTAL	1,92,95,131.69	2,57,35,290.36
27. Cost of materials consumed (Ref Note No.27.1, 27.2)		
Materials Consumed- Leathers		
Opening Stock	2,74,87,441.00	2,47,38,592.00
Add : Purchases	58,60,97,247.23	51,89,71,004.19
	61,35,84,688.23	54,37,09,596.19
Less : Closing Stock	5,06,28,951.00	2,74,87,441.00
TOTAL	56,29,55,737.23	51,62,22,155.19
Materials Consumed- Consumables		
Opening Stock	59,22,708.00	42,87,661.00
Add : Purchases	8,96,77,390.06	10,27,15,864.00
	9,56,00,098.06	10,70,03,525.00
Less : Closing Stock	92,30,717.00	59,22,708.00
	8,63,69,381.06	10,10,80,817.00
Add : Chemical Purchase	47,02,798.67	63,11,008.21
	9,10,72,179.73	10,73,91,825.21
TOTAL	65,40,27,916.96	62,36,13,980.40
28 Changes in inventories of finished goods work-in-progress and Stock-in-Trade		
Increase/ (Decrease) In stock :-		
Opening Stock		
Finished Goods	97,33,550.00	54,35,450.00
Work In Progress	15,47,500.00	7,75,000.00
	1,12,81,050.00	62,10,450.00
Closing Stock		
Finished Goods	1,68,12,100.00	97,33,550.00
Work In Progress	41,85,000.00	15,47,500.00
Increase / (Decrease In Stock)	-97,16,050.00	-50,70,600.00

EURO LEDER FASHION LIMITED

29 Employee Benefits Expense		
Salaries and incentives		
Directors Remuneration	15,00,000.00	9,90,000.00
Sri. R.M.Lakshmanan Whole Time Director		
HRA To Directors :-	9,00,000.00	5,58,000.00
Sri. R.M.Lakshmanan Whole Time Director		
Salaries & Wages	3,88,17,418.00	3,78,63,804.00
Security Charges	3,14,759.14	2,45,875.00
TOTAL	4,15,32,177.14	3,96,57,679.00
Contributions to		
Contribution to Provident fund	22,00,420.00	15,89,321.00
Contribution to ESIC	3,86,582.00	2,66,376.00
Staff welfare expenses	22,38,193.33	32,32,733.50
TOTAL	48,25,195.33	50,88,430.50
GRAND TOTAL	4,63,57,372.47	4,47,46,109.50
30 Finance costs		
Interest Paid to Banks	94,63,922.00	1,14,14,863.00
Bank Charges	49,74,483.81	39,69,066.35
TOTAL	1,44,38,405.81	1,53,83,929.35
31 Depreciation and amortization expense		
Depreciation	38,09,757.00	30,62,597.00
	38,09,757.00	30,62,597.00
32 Other expenses		
Rent Paid	1,11,17,099.00	1,00,60,256.00
Annul Listing Fees	2,68,767.00	2,24,847.00
Agm Expenses	68,695.00	65,219.00
Annual Maintanance Charges	83,170.00	93,175.00
Fees & Taxes	9,28,824.00	5,62,493.00
Insurance	7,60,188.59	3,69,030.60
Packing Material Consumed	41,93,550.20	5,73,899.60
Air Freight & Transport Charges	2,42,06,420.46	2,74,41,778.80
Export Agency Commission	93,25,722.00	1,53,72,774.00
Postage,Telegram & Telephone	15,73,024.43	19,94,109.56
Printing & Stationery	5,65,217.00	6,90,994.00
Travelling & Conveyance	12,03,569.00	14,03,484.00
Travelling & Conveyance (including overseas)	39,06,564.52	28,82,114.00
Repairs & Maintenance :-		
a. Building	13,12,223.00	3,79,836.00
b. Computers	3,64,379.45	3,72,783.50
c. Others	13,30,139.60	17,65,220.00
d. Plant & Machinery	53,59,338.61	26,78,651.17
Sitting Fees	40,000.00	38,000.00
Advertisement Charges	49,200.00	48,090.00
Professional Charges	4,87,662.00	7,84,939.00
Boarding and lodging expenses	2,37,550.09	28,484.00
Bad Debts Written Off	4,66,263.24	56,969.00
Gratuity Paid	3,25,000.00	-
<i>Bonded Storage</i>	8,511.75	-

EURO LEDER FASHION LIMITED

<i>Clearance Charges</i>	64,500.00	-
<i>Disbursement Fee</i>	11,285.58	-
<i>ED Cess Paid</i>	51,363.84	-
<i>Handling Charges</i>	9,56,570.52	-
<i>KKC Paid</i>	8,944.58	-
<i>Late Fee Filing Gst</i>	450.00	-
<i>Other Charges</i>	58.00	-
<i>Pattern Development Charges-Export</i>	7,07,757.00	-
<i>Swatch Barath Paid</i>	9,222.36	-
<i>Warehouse Charges & Cess</i>	26,481.25	-
Bonus Paid	32,56,470.00	30,29,796.00
Leave Encashments	49,972.00	5,05,525.00
Donations	30,500.00	28,001.00
General Expenses	-	1,400.00
Service Tax paid	5,59,585.68	16,44,400.21
ECGC Premium	2,53,172.00	3,58,596.00
Vehicle Maintenance	19,33,369.17	17,53,826.37
Forward contract Loss	-	58,099.00
Export Promotion Expenses	91,80,281.53	27,83,135.85
Pooja Expenses	1,96,277.00	1,71,744.00
Interest paid	1,11,362.00	2,980.00
FST Charges	3,597.00	2,186.00
Office Maintanance	2,20,982.48	4,12,710.50
Books & Periodicals	1,200.00	3,080.00
Loss on sale of assets	5,80,781.00	3,29,192.00
Inspection charges	1,036.00	99,250.00
Rounded off	-305.94	127.66
Membership & Subscription	2,950.00	25,000.00
Power & Fuel	24,43,418.61	18,02,119.33
Electricity Charges	50,30,327.00	37,88,686.00
Labour Charges	2,03,91,738.38	3,50,35,291.32
Leather Processing Charges	53,76,285.88	42,68,016.26
Commission Paid	42,97,041.95	82,41,779.80
Duty Paid-Customs	15,46,209.40	49,89,818.00
Audit Fees (Ref Note No.33.1)	1,01,000.00	1,05,000.00
TOTAL	12,55,84,963.21	13,73,26,907.53
27.1 Raw material Consumed		
Leather-10190266 Sq.Ft & 8820447 Sq.ft	56,29,55,737.23	51,62,22,155.19
Other Accessories	9,10,72,179.73	10,73,91,825.21
	65,40,27,916.96	62,36,13,980.40
27.2 Value of imported/indigeneous material consumed		
Import-Landed Cos-6.75% &9.13%	4,41,20,507.86	5,69,32,688.00
Indigeneous-93.25% & 90.87%	60,99,07,409.10	56,66,81,292.40
Total -100%	65,40,27,916.96	62,36,13,980.40

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, 2018 Rs.	As at 31 March, 2017 Rs.	As at 31 March, 2016 Rs.
33. Contingent liabilities and commitments (to the extent not provided for)			
(i) Contingent liabilities			
(a) Guarantees	-	-	-
(b) Unexpired letters of credit	-	-	-
(c) Disputed tax/duty demands under appeal (Refer Note 1 below)	14,67,193	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
Income tax demand for the A.Y 2014-15	10,62,830.00	2014-15	CIT appeal
Note: - Figures in brackets relate to the previous year.			

(i) Details of Auditors' Remuneration:

	Details 2017-18 Rs.in lakhs	2016-17 Rs.in lakhs
Statutory Audit	0.75	0.75
Tax Audit	0.25	0.25
Certification charges	0.01	0.05
Total	1.01	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)

	31.03.2018	31.03.2017
Profit as per Profit & Loss account (Rs.Inlacs).	107.12	95.98
Weighted Average number of equity shares (in lacs)	39.08	39.06
Basic and Diluted Earnings Per Share (Rs. P).	2.74	2.46
Nominal Value of Shares (Rs.).	10/-	10/-

vii). RELATED PARTIES TRANSACTIONS:

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

a) Key Managerial Personnel and relatives of Key Managerial Personnel

Name of the Key Managerial personnel	Designation
1. Sri. RM.Lakshmanan	Whole Time Director
2. Sri.N.MeenakshiSundaram	Director
3. Sri S.Jambunath	Director
4. Mrs.jayamalini	Director
5. M Nagendra	Chief Financial Officer

b) Relatives of Key Managerial Personnel-

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

c. Disclosure in respect of related party transactions

Nature	2017-18	2016-17
Rent-Mrs.Meenal.L	1800000	1575000
Salary-Mr.Sajithchandran	629000	480000
Outstanding payable as on 31 March		
Mrs.L.Meenal	135000	157500
Mr.SajithChandran	48300	48000

d. Remuneration to key management personal

Name	Amount in Rs.	Amount in Rs.
M.Nagendra- Chief Financial Officer	619000	568000

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 31-03-2018		
Financial Assets		
Investments	1,26,69,257.79	8,751.00
Trade Receivables	13,06,94,700.52	
Cash and Cash Equivalents	8,253.45	
Other Financial Assets	3,42,72,668.74	
Financial Liabilities		
Borrowings	15,76,08,695.19	
Trade Payables	14,51,35,354.88	
Other financial liabilities	8,85,21,331.50	
As at 31-03-2017		
Financial Assets		
Investments	1,22,15,790.05	8,751.00
Trade Receivables	14,42,64,362.40	
Cash and Cash Equivalents	8,179.45	
Other Financial Assets	3,24,28,036.77	
Financial Liabilities		
Borrowings	16,76,41,879.19	
Trade Payables	10,42,69,164.44	
Other financial liabilities	5,36,77,825.12	
As at 01-04-2016		
Financial Assets		
Investments	23,60,000.00	8,751.00
Trade Receivables	14,64,86,914.00	
Cash and Cash Equivalents	8,537.95	
Other Financial Assets	2,96,77,984.77	
Financial Liabilities		
Borrowings	14,81,26,644.19	
Trade Payables	1,88,32,684.41	
Other financial liabilities	6,63,58,043.43	

(b) Fair value hierarchy

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

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

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

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

IX) Financial Risk Management

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

EURO LEDER FASHION LIMITED

Notes forming part of the Financial Statements for the year ended 31st March 2018

Note 34 : Income Taxes

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

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

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

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

Particulars	(In Rs.)			
	For the Year ended 31 March 2017			
	Opening Balance	Recognised in Profit and Loss	Recognised OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(2,84,703)	(2,99,053)	-	(5,83,756)
Tax effect of items constituting deferred tax assets				
Employee Benefits	-	-	-	-
Total	-	-	-	-
Net Tax Asset / (Liabilities)	(2,84,703)	(2,99,053)	-	(5,83,756)

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 2018	As at 31 March 2017	As at 1 April 2016
Debt (Refer Note 21)	15,76,08,695	16,76,41,879	14,81,26,644
Cash and Bank Balance	-5,02,86,398	-7,14,34,887	-5,11,01,322
Total Debt	10,73,22,298	9,62,06,992	9,70,25,322
Total Equity	12,30,83,625	11,59,41,716	10,97,75,479
Net Debt to equity ratio	0.87	0.83	0.88

EURO LEDER FASHION LIMITED

B. Financial Risk Management

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

b) Credit risk Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties 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 2018, 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, 2018					
USD/INR	US Dollar			-	Buy
EURO/INR	EURO			-	Buy
As at March 31, 2017					
USD/INR	US Dollar			-	Buy
EURO/INR	EURO	74,500.00	76.38	56,90,310	Buy
As at April 1, 2016					
USD/INR	US Dollar	2,00,000.00	67.18	1,34,35,000	Buy
EURO/INR	EURO	2,00,000.00	73.18	1,46,36,000	Buy

Note xii : the Company has adopted Indian Accounting Standards (Ind AS) with effect from April 01, 2017 with date of transition to Ind AS being April 01, 2016. Accordingly, previous year figures in the financial statements have been restated to Ind AS.

Note xii: Approval of Financial Statements

The financial statements were approved for issue by the board of directors on 30.05.2018.

EURO LEDER FASHION LIMITED

Financial arrangements

The company has access to the following undrawn borrowing facilities:

Particulars	31-03-2018 (Rs.in lakhs)	31-03-2017 (Rs.in lakhs)	01-04-2016 (Rs.in lakhs)
Expiring within one year	223.91	323.58	-31.26
Working capital and other facilities			
Expiring beyond year	Nil	Nil	Nil

Maturities of Financial Liabilities

Nature of Financial Liability	Less than 1 year (Rs.in lakhs)	1-5 years (Rs.in lakhs)
As at 31.03.2018		
Borrowings from Banks	1576.08	-
Trade payables	1451.35	-
Other financial liabilities	885.21	-
As at 31.03.2017		
Borrowings from Banks	1676.41	-
Trade payables	1021.08	21.61
Other financial liabilities	536.77	-

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 31-03-2018	Nil	66063016
As at 31-03-2017	Nil	84412330
As at 01-04-2016	Nil	43237728
In EURO		
As at 31-03-2018	Nil	68146479
As at 31-03-2017	Nil	57597686
As at 01-04-2016	Nil	107645279

EURO LEDER FASHION LIMITED

Foreign currency sensitivity analysis

Currency	As at March 31, 2018	Sensitivity +1%	Sensitivity -1%	As at March 31, 2017	Sensitivity +1%	Sensitivity -1%	As at April 1, 2016	Sensitivity +1%	Sensitivity -1%
USD	6,60,63,016	6,60,630	(6,60,630)	8,44,12,330	8,44,123	(8,44,123)	4,32,37,728	4,32,377	(4,32,377)
Euro	6,81,46,479	6,81,465	(6,81,465)	5,75,97,686	5,75,977	(5,75,977)	10,76,45,279	10,76,453	(10,76,453)

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.

xi) 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-18	31-Mar-17
Not later than one year	1,18,21,500	61,44,000
Later than one year and not later than five years	45,48,000	92,88,000
Later than five years	-	-

Expenses recognised in the Statement of Profit and Loss

Particulars	(Amount in Rs)	
	31-Mar-18	31-Mar-17
Minimum Lease Payments	1,11,17,099.00	1,00,60,256.00
Sub-lease payments	-	-
Contingent rents (state basis)	-	-

NOTE 37: FIRST TIME ADOPTION OF IND AS

Disclosures as required under IND AS101.

For all periods up to and including the year ended 31st March 2017, the Company had prepared its financial statements in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). This note explains the principal adjustments made by the Company in restating the financial statements prepared under previous GAAP in accordance with IND AS for the following:

Balance sheet as at 1st April 2016 (Transition date)

Balance sheet as at 31st March 2017

Statement of Profit and loss for the year ended 31st March 2017

Statement of Cash flows for the year ended 31st March 2017

EURO LEDER FASHION LIMITED

(i) Reconciliation of Balance Sheet as previously reported under Indian GAAP to IND AS

Particulars	Notes	As on March 31, 2017			As on April 01, 2016		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Opening Ind AS balance sheet
A ASSETS							
1 NON CURRENT ASSETS							
(a) Property, plant and equipment		11,36,73,600.30		11,36,73,600.30	2,12,85,039.04		2,12,85,039.04
(b) Capital work-in-progress		19,39,377.28		19,39,377.28	19,39,377.28		19,39,377.28
(c) Financial assets		8,751.00		8,751.00	8,751.00		8,751.00
(i) Investments	(a)	3,24,28,037.77		3,24,28,036.77	2,96,77,984.77		2,96,77,984.77
(ii) Other financial assets							
Total Non-Current Assets		14,80,49,765.35		14,80,49,765.35	5,29,11,152.09		5,29,11,152.09
2 Current assets							
(a) Inventories		4,46,91,199.00		4,46,91,199.00	3,52,36,703.00		3,52,36,703.00
(b) Financial Assets							
(i) Investments		1,22,15,790.05		1,22,15,790.05	23,60,000.00		23,60,000.00
(ii) Trade receivables		14,42,64,362.40		14,42,64,362.40	14,64,86,914.00		14,64,86,914.00
(iii) Cash and cash equivalents		8,179.45		8,179.45	8,537.95		8,537.95
(iv) Bank balance other than (iii) above	(a)	7,14,26,707.29		7,14,26,707.29	9,40,38,552.65		9,40,38,552.65
(v) Short term Loans and advances	(a)	1,54,77,199.09		1,54,77,199.09	1,31,44,520.03		1,31,44,520.03
(c) Other current assets	(a)	2,45,56,120.49		2,45,56,120.49	1,66,94,392.70		1,66,94,392.70
Assets classified as held for sale		-		-	-		-
Total Current Assets		31,26,39,557.77		31,26,39,557.77	30,79,69,620.33		30,79,69,620.33
TOTAL ASSETS		46,06,89,323.12		46,06,89,323.12	36,08,80,772.42		36,08,80,772.42
B EQUITY AND LIABILITIES							
1 Equity							
a) Equity Share capital		3,90,64,250.00		3,90,64,250.00	3,90,51,750.00		3,90,51,750.00
b) Other Equity	(c)	7,68,77,466.37		7,68,77,466.37	7,07,23,729.39		7,07,23,729.39
Total Equity		11,59,41,716.37		11,59,41,716.37	10,97,75,479.39		10,97,75,479.39
2 Non-current liabilities							
Non-current liabilities							
a) Deferred tax liabilities (Net)		5,83,756.00		5,83,756.00	11,48,326.00		11,48,326.00
b) Other long term liabilities	(b)	16,01,879.00		16,01,879.00	31,66,492.00		31,66,492.00
c) Long term provisions	(b)	1,13,73,103.00		1,13,73,103.00	94,73,103.00		94,73,103.00
Total Non-Current Liabilities		1,35,58,738.00		1,35,58,738.00	1,37,87,921.00		1,37,87,921.00
3 Current liabilities							
Current liabilities							
(a) Financial liabilities							
(i) Borrowings		16,76,41,879.19		16,76,41,879.19	14,81,26,644.19		14,81,26,644.19
(ii) Trade payables		10,42,69,164.44		10,42,69,164.44	1,88,32,684.41		1,88,32,684.41
b) Other current liabilities	(b)	5,36,77,825.12		5,36,77,825.12	6,63,58,043.43		6,63,58,043.43
c) Short-term provisions	(b)	56,00,000.00		56,00,000.00	40,00,000.00		40,00,000.00
Total Current Liabilities		33,11,88,868.75		33,11,88,868.75	23,73,17,372.03		23,73,17,372.03
TOTAL EQUITY AND LIABILITIES		46,06,89,323.12	-	46,06,89,323.12	36,08,80,772.42	-	36,08,80,772.42

EURO LEDER FASHION LIMITED

(ii) Reconciliation of Profit or Loss as previously reported under Indian GAAP to Ind AS for the year ended March 31, 2017

Particulars	Notes	Previous GAAP	Effect of transition to Ind AS	Ind AS
1 Revenue from operations - Gross		80,29,25,656.40		80,29,25,656.40
Excise duty		-		-
Revenue from operations - Net				
2 Other income		2,57,35,290.36		2,57,35,290.36
3 Total revenue (1+2)		82,86,60,947		82,86,60,947
4 Expenses				
Cost of materials consumed		62,36,13,980.40		62,36,13,980.40
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-50,70,600.00		-50,70,600.00
Employee benefits expense		4,47,46,109.50		4,47,46,109.50
Finance costs	(c)(i)	1,53,83,929.35		1,53,83,929.35
Depreciation and amortization expense		30,62,597.00		30,62,597.00
Other expenses		13,73,26,907.53		13,73,26,907.53
Total expenses		81,90,62,923.78		81,90,62,923.78
5 Profit before tax		95,98,022.98		95,98,022.98
6 Tax expense:				
(a) Current tax expense		35,00,000.00		35,00,000.00
(b) Deferred tax		2,99,053.00		2,99,053.00
(c) Profit and loss appropriation account		-3,54,767.00		-3,54,767.00
Net tax expense		34,44,286		34,44,286
7 Profit after tax from continuing operations		61,53,737		61,53,737
8 Other Comprehensive Income		-		-
Items that will not be reclassified to Profit or loss		-		-
(a) Remeasurements of the defined benefit liabilities or (assets)		-		-
(a) Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge		-		-
9 Total comprehensive income for the year (7 + 8)		61,53,737	-	61,53,737

(iii) Reconciliation of Statement of Cash Flows for the year ended March 31, 2017

Particulars	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	6,50,67,773		6,50,67,773
Net cash flows from investing activities	-		9,57,80,349
Net cash flows from financing activities	81,00,372		81,00,372
Net increase (decrease) in cash and cash equivalents	-	-	2,26,12,204
Cash and cash equivalents at the beginning of the Year	9,40,47,091		9,40,47,091
Cash and cash equivalents at end of the Year	7,14,34,887	-	7,14,34,887

EURO LEDER FASHION LIMITED

(iv) Equity reconciliation

Particulars	As on March 31, 2017	As on April 01, 2016
Equity as per previous GAAP	3,90,64,250	3,90,51,750
Impact on INDAS	-	
Equity as per Ind AS	3,90,64,250	3,90,51,750

Notes to reconciliations:

(a) Under the previous GAAP, there was no concept of financial assets. Assets were classified as Investments, Loans and Advances, Other Assets as the case may be. As per Ind AS 109, concept of financial assets has been introduced and based on the definition, the following reclassification have been made:

- i) Reclassification of capital advances, advances to vendors for materials/services, prepaid expenses, balances with government authorities, derivative assets from Loans to Other Assets.
- ii) Reclassification of security deposits and insurance claims receivable from Loans and Advances to Other financial assets.
- ii) Reclassification of advance tax (net of provisions) from Loans and Advances to Tax assets (net).

(b) Under the previous GAAP, there was no concept of financial liabilities. Liabilities were classified as Borrowings, Provisions, Other liabilities as the case may be. As per Ind AS 109, concept of financial liabilities has been introduced and based on the definition, the following reclassification have been made:

- i) Reclassification of trade deposits received, current maturities of long term borrowings, interest accrued but not due, payables on purchase of fixed assets from Other Liabilities to Financial liabilities.

(c) Other Equity:

- i) Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurment of the net defined benefit liability / asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss.

INTENTIONALLY KEPT BLANK

EURO LEDER FASHION LIMITED

EURO LEDER FASHION LIMITED

CIN: L18209TN1992PLC022134

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

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

Form No. MGT-11

Proxy form

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

Name of the Member(s):

Registered address:

E-mail Id:

Folio No./Client Id & DP. Id:

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

1. Name : _____ Address : _____
Email Id : _____ Signature : _____, or failing him
2. Name : _____ Address : _____
Email Id : _____ Signature : _____, or failing him
3. Name : _____ Address : _____
Email Id : _____ Signature : _____,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the company, to be held on Thursday the 30th day of August, 2018 at 10.00 A.M. at Mahalaya Residency, No.114, GST Road (Opposite to Areva), Pallavaram, Chennai – 600 043 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Resolutions
1	To receive, consider and adopt the audited Balance Sheet of the Company as at 31 st March 2018, the Profit and Loss Account and Cash Flow Statement for the year ended on that date, together with the reports of the Auditors and the Directors.
2	To re-appoint Shri. RM Lakshmanan, Whole – Time Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
3	To ratify the appointment of M/s. S. Ramakrishnan Associates, Chartered Accountants, as Statutory Auditors and to fix their remuneration.

Signed this..... day of August 2018

Signature of shareholder

Signature of Proxy holder(s)

Please affix
Re. 1
Revenue
stamp Here

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

EURO LEDER FASHION LIMITED

EURO LEDER FASHION LIMITED

CIN: L18209TN1992PLC022134

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

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

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

*DP ID :	Folio No :
*Client Id:	No. of Shares :

*Applicable for investors holding shares in electronic form

Name and Address of the Shareholder :

I hereby record my presence at the 26th Annual General Meeting of the Company held on Thursday the 30th day of August, 2018 at 10.00 A.M. at Mahalaya Residency, No.114, GST Road (Opposite to Areva) Pallavaram, Chennai – 600 043.

Signature of Shareholder / Proxy

Printed Matter

If undelivered please return to;

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