

EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED

CIN : U17120MH2005PTC152837

**REGD OFFICE : 102 VIP PLAZA, 7 VEERA DESAI
INDUSTRIAL ESTATE, ANDHERI WEST
MUMBAI - 400 053**

**CORP OFFICE : METRO TOWER 1,
HO CHI MINH SARANI
KOLKATA - 700 071**

ANNUAL REPORT

FOR

THE FINANCIAL YEAR 2021 - 22

- : AUDITORS : -

**K. AGRAWAL & CO
34, EZRA STREET, 2ND FLOOR,
KOLKATA - 700 001**



original

K. AGRAWAL & CO.

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

**To the Members of EURO FASHIONS INNERS INTERNATIONAL PRIVATE LIMITED
Report on the Standalone Ind-AS Financial Statements**

Opinion

We have audited the accompanying Standalone Ind-AS Financial statements of **EURO FASHIONS INNERS INTERNATIONAL PRIVATE LIMITED** ("the Company") which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, Statement of Cash Flows, the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind-AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind-AS Financial statements give the information required by the Companies Act, 2013 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, 2022 and its Profit and its Cash Flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report comprises the information included in the Management Discussion and Operating and Financial Review report, but does not include the financial statements and our auditor's report thereon.

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

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

Based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is no material misstatement of the other information where we are required to report the fact. We have nothing to report in this regard.

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Responsibilities of Management for the 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 Ind-AS Financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind-As and other accounting principles generally accepted in India.

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

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluation of the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure - A**', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A) As required by Section 143(3) of the Act, we report 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.



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- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid 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 as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of Internal Financial Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in '**Annexure – B**';
- B) With respect to the matter in the Auditor's Report under section 197(16), we report that:
Since the company has not paid any remuneration to its directors during the current year, the provisions of Section 197 of the Act is not applicable to the company.
- C) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the pending litigations with ESI department which are disclosed in its standalone Ind AS financial statement;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year and as such compliance with the provisions of section 123 of the Act are not applicable.

For : **K. AGRAWAL & CO.**

Chartered Accountants

Firm Regn No. 306104E



K.C. Agrawal

(CA K.C. AGRAWAL)

Partner

Membership No. 010277

UDIN- 22010277AIYRBI9871

Place: Kolkata

Date: The 12th day of May, 2022

'ANNEXURE - A' TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS of our report of even date on the accounts for the year ended on **31st March, 2022** of **M/S. EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED**, we report that-

- (i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The company has no Intangibles Assets.
- (b) The Property, Plant and Equipment have been physically verified during the year by the management at reasonable intervals having regard to the size of the company; and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the Immovable Properties disclosed in the financial statements are held in the name of the company.
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) No proceedings are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The company has no inventory, hence this clause is not applicable to the company.
(b) During any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; and hence this clause is not applicable to the company.
- (iii) The company has neither made any investments in nor provided any guarantees or security nor granted any Secured or Unsecured loans to companies, firms, Limited Liability Partnerships or any other parties.
- (iv) The Company has neither granted any loans nor made any investment under Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security. Thus paragraph 3(iv) of the order is not applicable to the company.
- (v) The company has not accepted any deposits, from public in the meaning of the directives issued by the Reserve Bank of India and provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed thereunder, and no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal for the non-compliance of directives of the same.
- (vi) Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for any product of the company.

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(vii) (a) The company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable to the company with the appropriate authorities and no undisputed amount payable in respect of any statutory dues were outstanding as at 31st March 2022 for a period of more than six months from the date they became payable.

(b) According to information and explanation given to us, there are no such case where Goods and Service Tax, provident fund, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or any other statutory dues have not been deposited on account of any dispute other than as disclosed below:

Name of Statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
E.S.I. Act, 1948	Employees State Insurance	39967/-	A.Y. 2007-08	Employees Insurance Court West Bengal Kolkata

(viii) According to the information and explanations provided to us, no any transactions that have not been recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;

(b) The company is not a declared a willful defaulter by any bank or financial institution or other lender;

(c) The company has not obtained any term loans during the year;

(d) The company has not raised any funds on short term basis that were utilized for long term purposes;

(e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;

(f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) According to information and explanation give to us by the management, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Thus paragraph 3(x)(a) of the order is not applicable to the company.



(b) According to the information and explanation given to us by the management, the company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year under review. Thus paragraph 3(x)(b) of the order is not applicable to the company.

- (xi) (a) To the best of our knowledge and according to information and explanation given to us by the management, no fraud on or by the company was noticed or reported during the year.
- (b) Any report under sub-section (12) of section 143 of the Companies Act has not been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) The company is not required to establish a Vigil Mechanism under section 177(9) of the Companies Act and thus this clause is not applicable to the company.
- (xii) The company is not a Nidhi Company and thus sub clauses (a) to (c) of paragraph 3(xii) of the order are not applicable to the company.
- (xiii) The provisions of section 177 are not applicable to the company. However, all transactions with related parties are in compliance with section 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in Financial Statements as required by the applicable Accounting Standards.
- (xiv) (a) In our opinion and based on our examination, the company does not have an internal audit system and it is not required to have an internal audit system as per provisions of Section 138 of the Companies Act 2013.
- (b) The company did not have an internal audit system for the period under audit and it is not required to consider the audit reports of the Internal Auditors for the period under audit.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Thus sub clauses (a) to (c) of paragraph 3(xvi) of the Order are not applicable to the company.
- (xvii) The company has not incurred any cash losses in the financial year under review and also in the immediately preceding financial year.
- (xviii) There has been no any case of resignations of the statutory auditors during the year and thus this clause is not applicable to the company.

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(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanation provided to us by the management, the company is not required to comply with Section 135 of the Companies Act, 2013 and hence sub clause (a) and (b) of paragraph 3(xx) of the order are not applicable to the company.

(xxi) There have been no any qualifications or adverse remarks by us in the Companies (Auditor's Report) Order (CARO) reports of the company that is to be included in the consolidated financial statements.

For : K. AGRAWAL & CO.
Chartered Accountants
Firm Regn No. 306104E

K. C. Agrawal

(CA. K.C. AGRAWAL)
Partner

Membership No. 010277

Place : Kolkata.

Dated : The 12th day of May, 2022.

'ANNEXURE – B' TO THE INDEPENDENT AUDITORS' 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 FASHION INNERS INTERNATIONAL PRIVATE LIMITED** ('the Company') as of 31st March 2022 in conjunction with our audit of the standalone Ind AS 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 the 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 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 were 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 auditors' judgment, including the assessment of the risks of material misstatement of the 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.

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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 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 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 the Management and directors of the Company; and (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 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 31st March 2022, 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: Kolkata

Dated: The 12th day of May, 2022

For: K. AGRAWAL & CO.

Chartered Accountants

Firm Regn No. 306104E

K. C. Agrawal
(CA. K.C. AGRAWAL)

Partner

Membership No. 010277

EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED

CIN: U17120MH2005PTC152837

Balance Sheet as at March 31, 2022

Particulars	Note No.	(Amount in Rs '000s)	
		March 31, 2022	March 31, 2021
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4	26,626.07	27,213.04
(b) Financial assets			
(i) Other Financial assets	7	-	-
(c) Other assets	8	10.69	10.69
(d) Income Tax Asset (Net)	9	491.43	770.76
		27,128.19	27,994.49
Current assets			
(a) Financial assets			
(i) Trade Receivable	5	3,106.61	2,238.29
(ii) Cash and cash equivalents	6	145.43	406.52
(iii) Other Financial assets	7	14,154.56	13,380.90
(b) Other assets	8	4,494.90	4,725.48
(c) Income Tax Asset (Net)	9	-	-
		21,901.50	20,751.19
TOTAL ASSETS		49,029.69	48,745.67
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	41,000.00	41,000.00
(b) Other equity	11	4,120.48	3,585.37
		45,120.48	44,585.37
Non-current liabilities			
(a) Deferred tax liabilities	12	3,776.21	3,731.51
(b) Other non-current liabilities	13	-	-
		3,776.21	3,731.51
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(b) Other current liabilities	13	70.80	428.80
(c) Current Tax Liabilities (Net)	14	62.20	-
		133.00	428.80
TOTAL EQUITY & LIABILITIES		49,029.69	48,745.67

Basis of Accounting 2
Significant accounting policies 3
Significant Judgements and key estimates 3.2
 The notes are the integral part of these financial statements

As per our report of even date

For K.AGRAWAL & CO.

Chartered Accountants

Firm Registration No. 306104E

K. C. Agrawal

(CA. K.C.AGRAWAL)

Partner

Membership No.010277

Place: Kolkata

Date : May 12, 2022

For and on behalf of the Board of Directors

Ramesh Agarwal
RAMESH AGARWAL

Director

DIN: 00230702

Rajnish Agarwal
RAJNISH AGARWAL

Director

DIN: 00250271

EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED

CIN: U17120MH2005PTC152837

Statement of Profit and Loss for the year ended March 31, 2022

(Amount in Rs '000s)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I Revenue from Operation	15	969.80	813.85
II Other income	16	785.59	411.79
III Total Income (I+II)		1,755.39	1,225.64
IV Expenses			
Finance costs	17	0.03	-
Depreciation and amortisation expense	18	554.88	584.09
Other expenses	19	116.34	173.90
Total Expenses (IV)		671.25	757.99
V Profit before Exceptional items & Tax (III-IV)		1,084.14	467.65
VI Exceptional Items			
VII Profit/(Loss) Before Tax (V-VI)		1,084.14	467.65
VIII Tax expense			
a) Current tax (Including Earlier year Taxes)		504.33	70.65
b) Deferred tax		(71.15)	78.46
c) MAT Credit Entitlement		115.85	(29.83)
IX Profit for the year (VII- VIII)		535.11	348.36
X Other Comprehensive Income		-	-
XI Total Comprehensive Income for the year (IX+X)		535.11	348.36
XII Earnings per equity share			
Basic earnings per share in Rs. (Face Value Rs. 10/- Per Share)		0.13	0.08
Diluted earnings per share in Rs. (Face Value Rs. 10/- Per Share)		0.13	0.08
Basis of Accounting	2		
Significant accounting policies	3		
Significant Judgements and key estimates	3.2		
The notes are the integral part of these financial statements			

As per our report of even date

For **K.AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 306104E

K.C. Agrawal

(CA. K.C.AGRAWAL)

Partner

Membership No.010277

Place: Kolkata

Date : May 12, 2022



For and on behalf of the Board of Directors

Ramesh Agarwal
RAMESH AGARWAL

Director

DIN: 00230702

Rajnish Agarwal
RAJNISH AGARWAL

Director

DIN: 00250271

EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED

CIN: U17120MH2005PTC152837

Cash Flow Statement for the year ended March 31, 2022

Particulars	(Amount in Rs '000s)	
	March 31, 2022	March 31, 2021
CASH FLOW ARISING FROM OPERATING ACTIVITIES		
Net Profit Before Taxation & Extra Ordinary Items	1,084.14	467.65
Add : Depreciation	554.88	584.09
Add : Loss on Sale of Fixed Assets	32.09	-
Less: Interest Income	(658.17)	(411.79)
Add: Finance Cost	0.03	-
	<u>1,012.97</u>	<u>639.95</u>
<u>Adjustments For Working Capital Changes</u>		
(Increase) / Decrease Trade Receivables	(868.32)	12,640.74
(Increase) / Decrease in Other Current Assets	230.58	-
Increase / (Decrease) in Trade Payables	-	(10.75)
Increase / (Decrease) in Other Current Liabilities	(358.00)	(1.50)
	<u>17.23</u>	<u>13,268.44</u>
	<u>(162.80)</u>	<u>(91.92)</u>
Net Cash Inflow/(Outflow) from Operating Activities	<u>(145.57)</u>	<u>13,176.52</u>
CASH FLOW ARISING FROM INVESTMENT ACTIVITIES		
Interest Received	677.58	341.25
Redemption/(Investment) of Fixed Deposits (Net)	(793.07)	(13,310.37)
	<u>(115.49)</u>	<u>(12,969.12)</u>
Net Cash Inflow / (Outflow) from Investment Activities	<u>(115.49)</u>	<u>(12,969.12)</u>
CASH FLOW ARISING FROM FINANCING ACTIVITIES		
Interest Expense	(0.03)	-
Net Cash Inflow / (Outflow) From Financing Activities	<u>(0.03)</u>	<u>-</u>
	<u>(261.09)</u>	<u>207.40</u>
Net Increase / (Decrease) in Cash and Cash Equivalent	<u>(261.09)</u>	<u>207.40</u>
Cash & Cash Equivalents at the beginning of the year	406.52	199.12
Cash & Cash Equivalents at the end of the year	145.43	406.52

1. Previous Year figures have been regrouped/reclassified to confirm to current year's classification.

For K.AGRawal & CO.

Chartered Accountants

Firm Registration No. 306104E

K.C. Agrawal

(CA. K.C.AGRawal)

Partner

Membership No.10277

Place: Kolkata

Date : May 12, 2022

For and on behalf of the Board of Directors

Ramesh Agarwal
RAMESH AGARWAL
Director
DIN: 00230702

Rajnish Agarwal
RAJNISH AGARWAL
Director
DIN: 00250271

EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED

CIN: U17120MH2005PTC152837

Standalone Statement of Change in Equity for the year ended 31st March 2022

(Amount in Rs '000s)

a) Equity Share Capital

	No. of shares	Amount
Balance as at 1st April 2020	41,00,000	41,000.00
Add/(Less): Changes in Equity Share Capital during the year	-	-
Balance as at 31st March 2021	41,00,000	41,000.00
Add/(Less): Changes in Equity Share Capital during the year	-	-
Balance as at 31st March 2022	41,00,000	41,000.00

b) Other Equity

(Amount In Rs)

Reserves & Surplus	Retained Earnings	Total
Balance as at 1st April 2020	3,237.01	3,237.01
Profit / (Loss) for the Year	348.36	348.36
Total Comprehensive Income	348.36	348.36
Balance as at 31st March 2021	3,585.37	3,585.37

(Amount In Rs)

Reserves & Surplus	Retained Earnings	Total
Balance as at 1st April 2021	3,585.37	3,585.37
Profit / (Loss) for the Year	535.11	535.11
Total Comprehensive Income	535.11	535.11
Balance as at 31st March 2022	4,120.48	4,120.48

The Notes are an integral part of the Standalone Financial Statements

As per our report of even date
For K.AGRAWAL & CO.
Chartered Accountants
Firm Registration No. 306104E

For and on behalf of the Board of Directors

K.C. Agrawal
(CA. K.C.AGRAWAL)
Partner
Membership No.010277
Place: Kolkata
Date : May 12, 2022

Ramesh Agarwal
RAMESH AGARWAL
Director
DIN: 00230702

Rajnish Agarwal
RAJNISH AGARWAL
Director
DIN: 00250271



EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED
CIN: U17120MH2005PTC152837
NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2022

1. CORPORATE AND GENERAL INFORMATION

Euro Fashion Inners International Private Limited (the Company) was incorporated in India in the year 2005 having its registered office at 102, VIP Plaza, 7 Veera Desai Industrial Estate Near Afcons Godown Off Link Rd Andheri-W, Mumbai – 400053.

The Company is incorporated under provision of Companies Act applicable in India. The Company is a 100% subsidiary of Rupa & Company Limited. The company has transferred its Business Operations to its Holding Company "Rupa and Company Limited" with effect from 1st April, 2014 through a Business Collaboration Agreement executed on 18th day of August, 2014. The Financial statements are approved for issue by the Company's Board of Directors on May 12, 2022.

2. BASIS OF ACCOUNTING

I. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements for all periods up to and including the year ended 31st March, 2017, were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, which includes the accounting standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act (collectively referred to as "Indian GAAP").

The financial statements of the Company for the year ended 31st March, 2021 have been approved by the Board of Directors in their meeting held on May 12, 2022.

II. Basis of Measurement

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. 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 measurement date.

III. Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR), which is functional currency of the Company and the currency of primary economic environment in which company operates.

IV. Use of Estimates and Judgements

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring adjustment to the carrying amounts of assets or liabilities in future periods.


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EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED
CIN: U17120MH2005PTC152837
NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2022

V. Current Vs non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

3. SIGNIFICANT ACCOUNTING POLICIES

I. Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

II. Property, Plant and Equipment

Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, borrowing cost, if capitalization criteria is met, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset


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EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED

CIN: U17120MH2005PTC152837

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2022

is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.

- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

Depreciation and Amortization

- Depreciation on Property Plant & Equipment is provided under Straight Line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its Property Plant & Equipment.

Class of Property Plant & Equipment	Useful Lives estimated by the management (Years)
Non-factory Buildings	60
Plant and Equipments	15
Furnitures and Fixtures	10
Vehicles	8

- Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the

EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED
CIN: U17120MH2005PTC152837
NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2022

disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

III. Intangible Assets

Recognition and Measurement

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful economic lives.

Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

Amortization

The useful lives over which intangible assets are amortized are as under:

Assets	Useful Life (In Years)
Copyrights & Trade marks	10

Disposal

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit & Loss.

IV. Income Tax

Income Tax comprises current and deferred tax. It is recognized in The Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

- **Current Tax**
Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.
- **Deferred Tax**
Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for


Director

EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED
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NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2022

taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

V. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The specific recognition criteria described below must also be met before revenue is recognized.

- **Royalty**

Royalty is recognized on an accrual basis in accordance with the substance of the relevant agreement

- **Interest Income**

For all financial instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts or payments over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.



EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED
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NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2022

VI. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

➤ **Recognition and Initial Measurement:**

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➤ **Classification and Subsequent Measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
 - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
 - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
 - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
 - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is

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EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2022

classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

- Equity Instruments measured at FVTOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

➤ **Derecognition**

The Company derecognizes a financial asset on trade date only 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 entity.

➤ **Impairment of Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a 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 all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Financial Liabilities

➤ **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

➤ **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

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EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED
CIN: U17120MH2005PTC152837
NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2022

➤ **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

➤ **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

VII. Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

VIII. Provisions, Contingent Liabilities and Contingent Assets

• Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

• Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED
CIN: U17120MH2005PTC152837
NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2022

- Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

IX. Measurement of Fair Values

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

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

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

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

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value is measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

X. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

XI. Dividend distribution to equity holders

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.


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EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED
CIN: U17120MH2005PTC152837
NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2022

3.2 Critical accounting judgements and key sources of estimation uncertainty:

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.




EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED

CIN: U17120MH2005PTC152837

Notes to the Financial Statements as at and for the year ended March 31, 2022

4. Property, plant and equipment

Particulars	(Amount in Rs '000s)					
	Freehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Total
Cost						
As at 1st April 2020	4,688.52	24,065.98	1,330.55	49.19	82.78	30,217.02
Additions	-	-	-	-	-	-
On Disposals/ Withdrawals	-	-	-	-	-	-
As at March 31, 2021	4,688.52	24,065.98	1,330.55	49.19	82.78	30,217.02
Additions	-	-	-	-	-	-
On Disposals/ Withdrawals	-	-	-	-	80.51	80.51
As at March 31, 2022	4,688.52	24,065.98	1,330.55	49.19	2.27	30,136.50
Depreciation						
As at 1st April 2020	-	1,713.22	616.22	42.02	48.42	2,419.89
Charge for the year	-	428.30	154.06	1.73	-	584.09
On Disposals/ Withdrawals / adjustments	-	-	-	-	-	-
As at March 31, 2021	-	2,141.52	770.28	43.75	48.42	3,003.97
Charge for the year	-	428.30	126.28	0.30	-	554.88
On Disposals/ Withdrawals	-	-	-	-	48.42	48.42
As at March 31, 2022	-	2,569.82	896.56	44.05	-	3,510.44
Net Block						
As at March 31, 2021	4,688.52	21,924.46	560.27	5.44	34.36	27,213.04
As at March 31, 2022	4,688.52	21,496.15	433.99	5.14	2.27	26,626.07

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EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED
CIN: U17120MH2005PTC152837
Notes to the Financial Statements as at and for the year ended March 31, 2022

(Amount in Rs '000s)

5. Trade Receivable	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
- Trade Receivables considered good - Secured	-	-	-	-
- Trade Receivables considered good - Unsecured	-	-	3,106.61	2,238.29
- Trade Receivables - credit impaired	-	-	-	-
			3,106.61	2,238.29

a) Trade receivables are measured at amortised cost

b) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.

Particulars	Not Due	Outstanding from due date of payment as on March 31, 2022					Total
		Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
Considered good	872.82	-	952.81	805.50	475.48	-	3,106.61
Credit impaired	-	-	-	-	-	-	-
Disputed							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
Total	872.82	-	952.81	805.50	475.48	-	3,106.61

Particulars	Not Due	Outstanding from due date of payment as on March 31, 2021					Total
		Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
Considered good	752.81	-	805.50	679.98	-	-	2,238.29
Credit impaired	-	-	-	-	-	-	-
Disputed							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
Total	752.81	-	805.50	679.98	-	-	2,238.29

6. Cash and cash equivalents	March 31, 2022	March 31, 2021
Cash in hand	17.77	17.77
Balances with banks		
Current accounts	127.66	388.75
Deposits with original maturity for less than 3 months	-	-
	145.43	406.52

7. Other Financial Asset	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Interest Accrued on deposits	-	-	51.12	70.53
Bank deposits with maturity of less than 12 months	-	-	14,103.44	13,310.37
			14,154.56	13,380.90

8. Other Assets	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Advances Other than Capital Advances				
Advance against supply of goods & services	-	-	1,665.98	1,896.55
Balance with Govt Authorities	-	-	2,828.92	2,828.92
Other Receivable	10.69	10.69	-	-
	10.69	10.69	4,494.90	4,725.48

9. Income Tax Asset (Net)	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Advance income tax (net of provision)	491.43	770.76	-	-
	491.43	770.76	-	-



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Notes to the Financial Statements as at and for the year ended March 31, 2022

(Amount in Rs '000s)

10. Equity share capital	As at March 31, 2022		As at 31st March 2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised share capital				
Equity shares of Rs 10 each	50,00,000	50,000.00	50,00,000	50,000.00
	50,00,000	50,000.00	50,00,000	50,000.00
Issued share capital				
Equity shares of Rs 10 each	41,00,000	41,000.00	41,00,000	41,000.00
	41,00,000	41,000.00	41,00,000	41,000.00
Subscribed & Paid-up share capital				
Equity shares of Rs. 10 each	41,00,000	41,000.00	41,00,000	41,000.00
	41,00,000	41,000.00	41,00,000	41,000.00

a) Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

b) Terms/ Rights attached to Equity Shares :

The Company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Share held by Holding or Ultimate Holding Company

Name	Nature of relationship	As at March 31, 2022		As at 31st March 2021	
		No.	Amount	No.	Amount
Rupa & Company Limited	Holding Company	41,00,000	41,000.00	41,00,000	41,000.00

d) Details of shareholders holding more than 5% shares in the Company

Name	As at March 31, 2022		As at 31st March 2021	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of Rs 10/- each, fully paid up				
Rupa & Company Limited	41,00,000	100.00%	41,00,000	100.00%

As per records of the Company, including its register of shareholders / members as on 31st March, 2022, the above shareholding represents legal ownership of shares.

e) Shares held by promoters at the end of the year

Promoter name	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Rupa & Company Limited	41,00,000	100.00%	-	41,00,000	100.00%	-

e) The company has neither issued bonus shares nor has bought back any shares during last 5 years

f) No ordinary shares have been reserved for issue under options and contracts / commitments for the sale of shares / disinvestment as at the Balance Sheet date.

g) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

h) No calls are unpaid by any Director or Officer of the Company during the year.

Particulars	Ref. Note	March 31, 2022		March 31, 2021	
11. Other equity					
Retained earnings	11.1	4,120.48	3,585.37		
		4,120.48	3,585.37		
11.1 Retained earnings					
Opening balance		3,585.37	3,237.01		
Add: Profit/ (Loss) for the period		535.11	348.36		
		4,120.48	3,585.37		

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Notes to the Financial Statements as at and for the year ended March 31, 2022

		(Amount in Rs '000s)	
12. DEFERRED TAX LIABILITIES		Non Current	
		As at	As at
		March 31, 2022	March 31, 2021
Deferred Tax Liabilities			
Arising on account of :			
Depreciation		3,776.21	3,847.36
Mark to Market Gain on Investments		-	-
		3,776.21	3,847.36
Deferred Tax Assets			
Arising on account of :			
MAT Credit Entitlement		-	115.85
		-	115.85
Deferred Tax Liabilities(Net)		3,776.21	3,731.51
Particulars		Current	
		March 31, 2022	March 31, 2021
13. Other Liabilities			
Statutory dues payable		6.00	4.50
Liabilities for Expenses		64.80	185.71
Others		-	238.59
		70.80	428.80
14. Current Tax Liabilities (Net)			
Current			
		March 31, 2022	March 31, 2021
Provisions for Taxation (Net of Payments)		62.20	-
		62.20	-
15. Revenue from Operation			
		March 31, 2022	March 31, 2021
Royalty Income		969.80	813.85
		969.80	813.85
16. Other Income			
Interest Income		658.17	411.79
Unspent Liability Written Back		127.42	-
		785.59	411.79
17. Finance costs			
Bank Charges		0.03	-
		0.03	-
18. Depreciation & Amortisation Expense			
Depreciation of Tangible assets		554.88	584.09
		554.88	584.09
19. Other expenses			
Rates and taxes		2.15	89.70
Legal and Professional fees		9.50	11.00
Filing Fees		1.80	2.40
Payment to auditor (refer note below)		70.80	70.80
Loss on Sale of Fixed Assets		32.09	-
Miscellaneous expenses		-	-
		116.34	173.90
Payment to Auditor			
Audit fees		70.80	70.80
		70.80	70.80



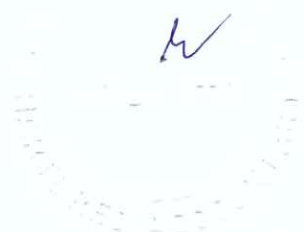
EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED

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Notes to the Financial Statements as at and for the year ended March 31, 2022

20. Ratio Analysis and its elements

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current ratio	Current Assets	Current Liabilities	164.67	48.39	240.27%	Variance due to decrease in Current Liabilities
Debt-equity ratio	Total Debt	Shareholder's Equity	N.A.	N.A.	N.A.	N.A.
Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments	Debt service = Interest & Lease Payments + Principal Repayments	N.A.	N.A.	N.A.	N.A.
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	1.19%	0.78%	52.10%	Variance due to increase in profit
Inventory turnover ratio	Revenue from Operations	Average inventory = (Opening + Closing balance / 2)	N.A.	N.A.	N.A.	N.A.
Trade receivables turnover ratio	Revenue from Operations	Average trade debtors = (Opening + Closing balance / 2)	36.29%	9.51%	281.62%	Variance due to decrease in average trade receivables
Trade payables turnover ratio	Net Credit Purchases = Net credit purchases consist of gross credit purchases minus purchase return	Average Trade Payables	N.A.	N.A.	N.A.	NIL
Net capital turnover ratio	Net Sales = Net sales shall be calculated as total sales minus sales returns.	Average Working Capital - Working capital shall be calculated as current assets minus current liabilities.	4.61%	4.02%	14.75%	NIL
Net profit ratio	Net profit shall be after tax	Net Sales = Net sales shall be calculated as total sales minus sales returns.	55.18%	42.80%	28.91%	Variance due to increase in Profit
Return on capital employed	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	2.22%	0.97%	129.08%	Variance due to increase in Profit
Return on investment	Income generated from invested funds	Average invested funds	N.A.	N.A.	N.A.	N.A.



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Notes to the Financial Statements as at and for the year ended March 31, 2022

- 21 In the absence of any confirmation from vendors regarding the status of their registration under the "Micro, Small and Medium Enterprises Development Act 2006" the Company is unable to make provision wherever required under the said Act.

22 Contingent Liabilities

Particulars	(Amount in Rs '000s)	
	2021-22	2020-21
ESI (F.Y 2007-08) (Under Appeal)	39.97	39.97

23 Earning per share

Particulars	(Amount in Rs '000s)	
	2021-22	2020-21
Profit as per Statement of Profit & Loss attributable to Equity Shareholders (a)	535.11	348.36
Weighted average number of Equity Shares (in number) (b)	41,00,000	41,00,000
Basic & Diluted Earnings Per Share in Rs. (a/b) (Nominal Value - Rs. 10 per share)	0.13	0.08

24 Related Party Disclosures:**Names of related parties and related party relationship**

- Related parties where control exists : Rupa & Company Limited

Details of transactions entered into with related parties along with balances as at year end are as given below:

Nature of Transaction	Name of the party	(Amount in Rs '000s)	
		2021-22	2020-21
Royalty	Rupa & Company Limited	969.80	813.85

Balance As at year end

Particulars	Name of the party	2021-22	2020-21
Other Receivables	Rupa & Company Limited	3,106.61	2,238.29

25 Capital Management

The Company's objective is to maintain a strong capital base to ensure sustained growth in business. The Capital Management focusses to maintain an optimal structure that balances growth and maximizes shareholder value. The Company is wholly equity financed. Further, the Company has sufficient cash, cash equivalents and financial assets which are liquid to meet the debts.

26 Disclosure on Financial Instrument and Fairvalue Hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the three levels as disclosed in accounting Policy no. 3(IX)

There are no transfer between levels during the year.

The carrying value of trade receivables, trade payables, cash and cash equivalents and other current financial assets and liabilities approximate their fair values largely due to the short-term maturities. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

27 Financial Risk Management

The Company's activities expose it to the following risks:

- Credit risk
- Liquidity risk

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Notes to the Financial Statements as at and for the year ended March 31, 2022

c) Market risk

a) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks and financial institutions.

i) Trade receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable disclosed in note 8

ii) Bank deposit

Credit risk is limited as the Company generally invest in deposits with banks.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected short term operational expenses.

c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include borrowings, trade receivable and trade payable.

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company does not have any debt obligations with floating interest rates, hence, is not exposed to any interest rate risk.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any foreign currency exposure and hence, is not exposed to any foreign currency risk.

28 Previous years figures have been regrouped/ reclassified, wherever necessary to conform to current year's classification.

As per our report of even date

For K.AGRawal & CO.

Chartered Accountants

Firm Registration No. 306104E



(CA. K.C.AGRawal)

Partner

Membership No.010277

Place: Kolkata

Date : May 12, 2022

For and on behalf of the Board of Directors



RAMESH AGARWAL

Director

DIN: 00230702



RAJNISH AGARWAL

Director

DIN: 00250271

