



**24th ANNUAL REPORT
2015 - 2016**

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 Managerial Personnel: Shri. Nagendra Manjunatha - CFO

Auditors: M/s. N.Venkatesan Associates
Chartered Accountants,
20(Old No.8) Dr.Natesan Salai,
Ashok Nagar.
Chennai.-600 083
Tel.044-2489 3635

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

Factories: No.10,PP Amman Koil Street,
Nagalkeni,
Chennai - 600 044

R.N.Kandigai,
Kacheepuram District-603 403

No.24,S. Parganas Amtala,
Kolkata-743398
Tel.044-42943202, 044-42943203, 044-42943204
Fax.044-42943222

Bankers: Canara Bank, Midcorporate Branch, Chennai.

EURO LEDER FASHION LIMITED

NOTICE TO MEMBERS

Notice is hereby given that the TWENTY FOURTH ANNUAL GENERAL MEETING of the members of M/s. EURO-LEDER FASHION LIMITED will be held on Thursday, the 29th day of September, 2016, at 11.00 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 2016, the Profit and Loss Account and Cash Flow Statement for the year ended on that date, together with the notes thereon and the schedules there to and the reports of the Auditors and the Directors.
2. To re-appoint Shri. RM Lakshmanan (DIN: 00039603), who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the appointment of Auditors and fix their remuneration. In this connection, to consider and if thought fit, to pass the following as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions if any, of the Companies Act 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the appointment of M/s. N. Venkatesan Associates, Chartered Accountants (ICAI Regn. No.004632S) as Statutory Auditors of the Company made in the 22nd Annual General Meeting of the Company held on 18th September, 2014, till the next Annual General Meeting be and is hereby ratified, on remuneration to be fixed by the Board of Directors.”

SPECIAL BUSINESS:

4. To consider and if though fit, to pass, the following resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. P.S. Nathan (DIN: 02693617), Independent Director of the Company, whose term of office expires on 18.09.2016 and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 2 (two) years w.e.f. 18.09.2016.”

“RESOLVED FURTHER THAT Shri. RM Lakshmanan (DIN: 00039603), Whole Time Director, be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

5. To consider and if though fit, to pass, the following resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. S. Jambunath (DIN: 00077420), Independent Director of the Company, whose term of office expires on 18.09.2016 and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 2 (two) years w.e.f. 18.09.2016.”

EURO LEDER FASHION LIMITED

“RESOLVED FURTHER THAT Shri. RM Lakshmanan (DIN: 00039603), Whole Time Director, be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

6. To consider and if though fit, to pass, the following resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. N. Meenakshi Sundaram (DIN: 00037917), Independent Director of the Company, whose term of office expires on 18.09.2016 and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 2 (two) years w.e.f. 18.09.2016.”

“RESOLVED FURTHER THAT Shri. RM Lakshmanan (DIN: 00039603), Whole Time Director, be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

7. To consider and if though fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V to the said Act and Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 (including any statutory Modification (s) or re – enactment (s) thereof, for time being in force), subject to such other provisions as may be applicable and as per the Articles of Association of the Company and subject to such other approval (s) or sanction (s) as may be required, consent of the Company be and is hereby accorded to increase the remuneration paid to Shri. RM Lakshmanan (DIN: 00039603), Whole Time Director, to Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) per month from 1st October 2016 till the end of his present term.

“RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

By Order of the Board

Chennai
30.07.2016

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

EURO LEDER FASHION LIMITED

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.

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.

2. 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.
3. The Register of Members and Share Transfer Books will remain closed from 23rd September, 2016 to 29th September, 2016 (both days inclusive).
4. 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.
5. Members are requested to quote their Folio Number in the Correspondence.
6. 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.
7. 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.
8. Members are requested to hand over the attendance slip duly signed at the entrance of the meeting Hall.
9. Registration starts at 10.30 a.m. at Mahalaya Residency, No.114, GST Road, (Opposite to Areva), Pallavaram Chennai- 600 043 on Thursday 29th September, 2016

10. 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 Sunday the 25th day of September 2016 (09.00 a.m. IST) and ends on Wednesday 28th day of September, 2016 (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, 22nd day of September, 2016 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.

EURO LEDER FASHION LIMITED

- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - 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:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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 LabelIn 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	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.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <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).

EURO LEDER FASHION LIMITED

- (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.
- (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 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.

EURO LEDER FASHION LIMITED

- (xx) 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.
- (xxi) Other instructions:
- (a) The e-voting period begins on 20th day of September 2015 (09.00 a.m. IST) and ends on Tuesday 22nd day of September, 2015 (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 16th September, 2015 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 16th September, 2015.
 - (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.

12. Details of Director proposed for re-appointment:

PARTICULARS	Shri.RM. Lakshmanan
Date of Birth	25.12.1966
Qualification	B.Com
Nature of Expertise	Wide range of experience in the leather field and other allied sectors
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

PARTICULARS	Shri. P.S. Nathan
Date of Birth	17.06.1960
Qualification	Post Graduate in Management
Nature of Expertise	Wide range of experience in the field of trading and other allied sectors
Date of First Appointment	29.07.1998
Name of the other Public / Private Limited Companies in which he holds Directorship	a) Apoorva Agrico Private Limited b) Indian Village Herbs Private Limited c) Apoorva Sourcing Specialities Private Limited

EURO LEDER FASHION LIMITED

PARTICULARS	Shri. S. Jambunath
Date of Birth	25.11.1970
Qualification	Engineering graduate and specialised in Mechanical Engineering
Nature of Expertise	Wide range of experience in the field of Engineering
Date of First Appointment	29.06.2002
Name of the other Public / Private Limited Companies in which he holds Directorship	Nil

PARTICULARS	Shri. N. Meenakshi Sundaram
Date of Birth	24.05.1960
Qualification	Commerce graduate
Nature of Expertise	Wide range of experience in the Banking Sector
Date of First Appointment	29.06.2004
Name of the other Public Limited Companies in which he holds Directorship	Nil

EURO LEDER FASHION LIMITED

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

ITEM NO.4:

Shri. P. S.Nathan (DIN: 02693617), aged 54 years, is a Non-Executive Independent Director of the Company. He Joined the Board of Directors of the Company in July, 1998. He is a member of Nomination and Remuneration Committee and Stakeholders Relationship Committee and Chairman of the Audit Committee of the Board of the Company.

Shri. P S Nathan is a post graduate in Management from the University of Madras. He has wide range of experience in the field of trading and other allied sectors.

Shri. P S Nathan, was appointed as an Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013, for a period of two years effective from the conclusion of Annual General Meeting of the Company held on 18.09.2014. In the opinion of the Nomination and Remuneration Committee and Board of Directors of the Company, Shri. P S Nathan fulfills the conditions specified in the Act and rules made there under for his re-appointment as an Independent Director of the Company and is independent of the management. The Company has received consent from him to continue as an Independent Director of the Company and a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri. P S Nathan for the office of Director of the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri. P S Nathan as an Independent Director. As per Section 149(11) and other applicable provisions, if any, of the Companies Act, 2013, the re-appointment of Independent Director requires consent of the shareholders by way of Special resolution. Hence, the members are requested to re-appoint Shri. P S Nathan as an Independent Director of the Company, not liable to retire by rotation, for a period of two years effective from the conclusion of this Annual General Meeting.

Except Shri. P S Nathan, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 04.

ITEM NO.5:

Shri. S. Jambunath (DIN: 00077420), aged 46 years, is a Non-Executive Independent Director of the Company. He Joined the Board of Directors of the Company in June, 2002. He is a member of Nomination and Remuneration Committee and Audit Committee and Chairman of the Stakeholders Relationship Committee of the Board of the Company.

Shri. S. Jambunath is a Engineering graduate and specialised in Mechanical Engineering. He has wide range of experience in the field of Engineering.

Shri. S. Jambunath was appointed as an Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013, for a period of two years effective from the conclusion of Annual General Meeting of the Company held on 18.09.2014. In the opinion of the Nomination and Remuneration Committee and Board of Directors of the Company, Shri. S. Jambunath fulfills the conditions specified in the Act and rules made there under for his re-appointment as an Independent Director of the Company and is independent of the management. The Company has received consent from him to continue as an Independent Director of the Company and a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri. S. Jambunath for the office of Director of the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri. S. Jambunath as an Independent Director. As per Section 149(11) and other applicable provisions, if any, of the Companies Act, 2013, the re-appointment of Independent Director requires consent of the shareholders by way of Special resolution. Hence, the members are requested to re-appoint Shri. S. Jambunath as an Independent Director of the Company, not liable to retire by rotation, for a period of two years effective from the conclusion of this Annual General Meeting.

EURO LEDER FASHION LIMITED

Except Shri. S. Jambunath, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 05.

ITEM NO.6:

Shri. N. Meenakshi Sundaram (DIN: 00037917), aged 56 years, is a Non-Executive Independent Director of the Company. He Joined the Board of Directors of the Company in June, 2004. He is a member of Audit Committee and Stakeholders Relationship Committee and Chairman of the Nomination and Remuneration Committee of the Board of the Company.

Shri. N. Meenakshi Sundaram is a Commerce graduate. He has wide range of experience in the Banking Sector.

Shri. N. Meenakshi Sundaram was appointed as an Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013, for a period of two years effective from the conclusion of Annual General Meeting of the Company held on 18.09.2014. In the opinion of the Nomination and Remuneration Committee and Board of Directors of the Company, Shri. N. Meenakshi Sundaram fulfills the conditions specified in the Act and rules made there under for his re-appointment as an Independent Director of the Company and is independent of the management. The Company has received consent from him to continue as an Independent Director of the Company and a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri. N. Meenakshi Sundaram for the office of Director of the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri. N. Meenakshi Sundaram as an Independent Director. As per Section 149(11) and other applicable provisions, if any, of the Companies Act, 2013, the re-appointment of Independent Director requires consent of the shareholders by way of Special resolution. Hence, the members are requested to re-appoint Shri. N. Meenakshi Sundaram as an Independent Director of the Company, not liable to retire by rotation, for a period of two years effective from the conclusion of this Annual General Meeting.

Except Shri. N. Meenakshi Sundaram, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 06.

ITEM NO.7:

Shri. RM. Lakshmanan was reappointed at the 20th Annual General Meeting held on 27th September, 2012, as Whole - Time Director of the Company from 01st April, 2012 to 31st March, 2015 on the terms of remuneration then approved. Subsequently, in order to comply with the provisions of Section 152 of the Companies Act, 2013, the Company in the 22nd Annual General Meeting held on 18th September, 2014 varied the terms and conditions of re-appointment of Shri. RM. Lakshmanan by making him as 'Director liable to retire by rotation'.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on 31.07.2015 re-appointed Shri. RM. Lakshmanan as Whole Time Director of the Company for a period of five years from 01.04.2015 to 31.03.2020 on a remuneration of Rs. 40,000/- (Rupees Forty Thousand Only) per month all inclusive

Since the resignation of Managing Director Shri.AR.Ramanathan,(1st September 2014) Shri. RM. Lakshmanan as the Whole Time Director has been taking care of all the activities and has been effectively managing the day-to-day affairs of the Company. Considering his expertise in the filed of leather garment exports and his dedication to the business of the Company, the Nomination and Remuneration Committee had recommended an increase in the remuneration of Shri. RM. Lakshmanan. The Board of Directors at its meeting held on 30.07.2016, decided to have the remuneration paid to Shri. RM. Lakshmanan increased from Rs. 40,000 per month to Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) per month from 1st October 2016 on the following terms and conditions:

EURO LEDER FASHION LIMITED

A) Salary; Rs. 1,25,000/- per month

B) Perquisites:

- 1) Housing (Unfurnished residential accommodation will be provided by the Company).
 - a) the expenditure incurred by the company on gas, Electricity and water will be evaluated as per income tax Rules,1962.
 - b) Perquisites in the form furniture, furnishings and other utilities in accordance with the rules of the Company, the value of which will be evaluated as per Income tax rules 1962.
 - c) In case no accommodation is provided by the Company, he shall be entitled to House Rent Allowance equal to 60% of the salary.
- 2) Reimbursement of medical expenses actually incurred for self and family in accordance with the rules of the Company.
- 3) Medical Insurance for self and family as per the scheme of the Company.
- 4) Leave travel concession for self and family in accordance with the rule of the Company.
- 5) Earned / Privilege Leave. On full pay and allowances as per the rules of the Company but not exceeding one month's leave for every eleven months of service, with right to accumulate/en-cash leave as per the rules of the Company.
- 6) Fees of Clubs, subject to a maximum of two clubs excluding admission and life membership fee.
- 7) Personal accident insurance of an amount, the annual premium of which does not exceed Rs.5000/-.
- 8) Provident Fund: Company's contribution to Provident Fund shall be as per the scheme of the Company.
- 9) Pension/Superannuation Fund: Company's contribution to Pension/Superannuation fund shall be in accordance with the scheme of the Company.
- 10) Gratuity: As per the rules of the Company, not exceeding half a month's salary for each completed years of service.
- 11) Free use of telephone at his residence.
- 12) Free use of car with driver on Company's Business.
- 13) Reimbursement of Entertainment Expenses:

The whole Time Director shall be entitled to reimbursement of reasonable Entertainment expenditure actually and properly incurred in the course of the legitimate business of the Company.

EURO LEDER FASHION LIMITED

DIRECTORS REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the Twenty Forth Annual Report together with Audited accounts for the year ended 31.03.2016

FINANCIAL PERFORMANCE

The summarized financial results for the year ended 31.03.2016 and for the previous year 31.03.2015 are as under:

(Rs. in lakhs)		
PARTICULARS	2016	2015
Total Income	6327.58	5139.46
Less: Total Expenses	6227.99	5070.84
Profit before Depreciation and Taxation	99.58	68.62
Less: Depreciation	36.65	20.07
Profit before Tax	62.93	48.55
Provision for Tax	17.54	20.61
Profit after Tax	45.39	27.93
Profit brought forward	661.84	633.91
Profit available for appropriation	707.23	661.84
Profit/Loss carried to Balance Sheet	707.23	661.84

2. PERFORMANCE:

The Company has earned a total income of Rs.6327.58 Lakhs during the year 2015-16 and made a profit before tax of Rs.62.93 Lakhs. The total profit after tax for the year 2015-16 is Rs.45.39 Lakhs compared to Rs.27.93 Lakhs in 2014-15

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 compared to previous year.

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.26,81,250/- towards the calls in arrears and the Paid Up capital as on 31st March, 2016 is Rs.3,90,51,750/-.

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

Your Company does not have any subsidiary, joint venture, associate company as at March 31, 2016. 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, 2016, is Rs.23.60 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, While – Time - Director, retires by rotation at the forthcoming Annual General Meeting and is eligible for reappointment.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, read with Rules thereon, the Board recommends the re-appointment of three Independent Directors of the Company viz., Shri. P. S. Nathan, Shri. S. Jambunath and Shri. N. Meenakshi Sundaram for a period of two years with effect from 18th September, 2016

The Board seeks your approval for increasing the remuneration of Shri. RM Lakshmanan (DIN: 00039603), Whole Time Director of the Company, from Rs. 40,000/- (Rupees Forty Thousand Only) per month to Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) per month.

10. BOARD MEETINGS:

During the year under review, the Board of Directors met 5 times on 27th April 2015, 29th May 2015, 31st July 2015, 12th November 2015 and 10th February 2016 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 2015-2016		Attendance at 23 rd 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	Yes	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	4	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 31.03.2016. 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.

During the year, the Committee met four times on 29th May 2015, 31st July 2015, 12th November 2015 and 10th February 2016.

Name of the Member	Status	Category	Meetings	
			Held	Attended
Shri. P. S. Nathan	Chairman	Independent Director	4	1
Shri.N.Meenakshi Sundaram	Member	Independent Director	4	4
Shri.S.Jambunath	Member	Independent Director	4	4

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.

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;

EURO LEDER FASHION LIMITED

- 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.

Name Of Director	Status
Shri. N. Meenakshi Sundaram	Chairman
Shri. S. Jambunath	Member
Shri. P. S. Nathan	Member

During the year committee met on 30.05.2015

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 Six times on 31st August 2015, 23rd September 2015, 30th September 2015, 11th November 2015, 31st December 2015 & 04th January 2016. 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	6	6
Shri. RM. Lakshmanan	Member	6	6
Shri. N. Meenakshisundaram	Member	6	6

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:

EURO LEDER FASHION LIMITED

- 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) the directors had 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 2016 and of the Profit of the Company for the year ended 31st March 2016
- 3) the directors had 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) the annual accounts have been prepared the annual accounts on a going concern basis
- 5) the directors, had laid down proper and sufficient internal financial controls and policies and procedures of such internal financial controls are adequate and operating effectively.
- 6) the directors had 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 N Venkatesan Associates, Chartered Accountants, Chennai (FRN: 004632S), were appointed as Statutory Auditors of the company in the 22nd Annual General Meeting of the Company held on 18.09.2014 until the conclusion of 25th Annual General Meeting, subject to ratification by shareholders at every consecutive Annual General Meeting. The Directors recommend the ratification of the appointment of Statutory Auditors, to carry out the audit for the financial year 2016-17. 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. N Venkatesan 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, Practicing Company Secretary as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2016. The Secretarial Audit Report 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.**

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, 2016 is attached to the report by way of Annexure – B.

EURO LEDER FASHION LIMITED

19. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

The Company has not received any significant and material orders passed by the regulators or courts or tribunals 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 were made, affecting the financial position of the Company which have occurred 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) 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 2016 – 2017.

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. The Audit Committee has also revisited the Risk Management Policy and has taken steps to strengthen the Risk Management process in keeping 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 routinely tested and certified by the Internal Auditors. 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 Listing Agreement the Board of Directors has carried out an annual performance evaluation of the Board, its Committees, and Directors individually, 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: 30.07.2016

RM.Lakshmanan
Whole Time Director

S.Jambunath
Director

EURO LEDER FASHION LIMITED

ANNEXURE - A

Secretarial Audit Report
(For the Year ended 31 March, 2016)
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, 2016 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, 2016 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, 2016

- i. the Company was not required to maintain books, papers, minute books, forms and returns according to the provisions of for 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.

EURO LEDER FASHION LIMITED

- The Company has obtained all necessary approvals under the various provisions of the Act; and
 - 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 14, 2016

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, especially since this is the first full year in which the Companies Act, 2013 has become operational.
6. 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 14, 2016

S. ANANTHANARAYAN
FCS 2713, CP 1828

Annexure - B

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2015

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– 600043Tel: 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	89%

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-2015)				No. of shares held at the end of the year (As on 31-March-2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1069595	50300	1119895	25.03	1257752	518900	1776652	39.71	14.68
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	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	188157	468600	656757	14.68	0	0	0	0	14.68
Sub Total (A)(1)	1257752	518900	1776652	39.71	1257752	518900	1776652	39.71	0
(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	1257752	518900	1776652	39.71	0

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-2015)				No. of shares held at the end of the year (As on 31-March-2016)				% 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	17800	17800	0.40	0	17700	17700	0.39	(0.0022)
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	17800	17800	0.40	0	17700	17700	0.39	(0.0022)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	44218	0	44218	0.98	49498	0	49498	1.11	0.12
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	571583	1442696	2014279	45.03	571321	1433096	2004417	44.81	(0.22)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	282056	278200	560256	12.52	286508	278200	564708	12.62	0.10
c) Others (specify)									
Hindu Undivided Families	10805	0	10805	0.24	11635	0	11635	0.26	0.0185
Non Resident Indians	9290	39900	49190	1.10	9190	39400	48590	1.09	-0.013
Any Others	0	400	400	0.01	0	400	400	0.01	0
Sub-total (B)(2):-	917952	1761196	2679148	59.89	928152	1751096	2679248	59.89	0.0022
Total Public Shareholding (B)=(B)(1)+ (B)(2)	917952	1778996	2696948	60.29	928152	1768796	2696948	60.29	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2175704	2297896	4473600	100	2185904	2287696	4473600	100	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.	Lakshmanan RM	1080495	24.14	0	1080495	24.14	0	0.01
5.	Meenal N	1,01,200	2.26	0	1,01,200	2.26	0	0
6.	Meenal L	1,59,657	3.56	0	1,59,657	3.56	0	0.04
7.	Arun RM	1,36,400	3.05	0	1,36,400	3.05	0	0
8.	Meenal RM	2,32,600	5.19	0	2,32,600	5.19	0	0
9.	Meenal Narayan	21,900	0.49	0	21,900	0.49	0	0
10.	Rakkaye Annamalai	5,000	0.11	0	5,000	0.11	0	0
11.	Lakshmanan RM							
	Ramanathan AR	38500	0.86	0	38500	0.86	0	0
	Total	17,76,652	39.67	0	17,76,652	39.67	0	0

C) Change in Promoters' Shareholding: No Change

D) Shareholding Pattern of top ten shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs):

S No	Name	Shareholding at the beginning of the year (as on 01.04.2015)		Date	Increase / Decrease in Share holding	% of Total Shares of the Company	Reason For Increase / Decrease	Cumulative Shareholding during the year (01.04.2015 – 31.03.2016)	
		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.	Sangeetha S	60,000	1.34	11.12.2015	1360	0.0304	Market Purchase	61360	1.37
				25.12.2015	694	0.0155	Market Purchase	62054	1.38
				08.01.2016	1430	0.0319	Market Purchase	63484	1.4190
				15.01.2016	306	0.0068	Market Purchase	63790	1.4259
				05.02.2016	1980	0.0442	Market Purchase	65770	1.4701
4.	Veena Devi N	56,300	1.25	—	—	—	—	56,300	1.25

EURO LEDER FASHION LIMITED

5.	Sathya S	41,026	0.92	15.01.2016	534	0.0119	Market	41560	0.93
				05.02.2016	900	0.0201	Purchase		
							Market	42460	0.9491
6.	Mangala Sadavatre	34,000	0.76	06.11.2015	-1000	0.0223	Purchase	33000	0.74
							Sale		
				11.12.2015	-394	0.0088	Market	32606	0.73
							Sale		
				18.12.2015	-100	0.0022	Market	32506	0.73
							Sale		
				08.01.2016	-447	0.0099	Market	32059	0.72
							Sale		
				15.01.2016	1	0.0000	Market	32060	0.72
							Purchase		
				22.01.2016	-2060	0.0460	Market	30000	0.67
							Sale		
6	Mangala Sadashiv Sadavatre	6,360	0.14	—	—	—	—	6360	0.14
7	VSL Securities Private Limited	32,544	0.73	—	—	—	—	32,544	0.73
8	Savitha S	23,290	0.52	—	—	—	—	23,290	0.52
9	Swapan Kumar Nath	19,013	0.42	—	—	—	—	19,013	0.42
10	Palamiappan SP	18,800	0.42	—	—	—	—	18,800	0.42
11	REKHA	0	0	04.12.2015	1796	0.0401	Market	1796	0.0401
							Purchase		
				11.12.2015	4550	0.1017	Market	6346	0.1418
							Purchase		
				18.12.2015	817	0.0182	Market	7163	0.1601
							Purchase		
				25.12.2015	1229	0.0274	Market	8392	0.1875
							Purchase		
				01.01.2016	1000	0.0223	Market	9392	0.2099
							Purchase		
				08.01.2016	4475	0.1000	Market	13867	0.3099
							Purchase		
				15.01.2016	4480	0.1001	Market	18347	0.3099
							Purchase		
				22.01.2016	1928	0.0430	Market	20275	0.4532
							Purchase		
				29.01.2016	2725	0.0609	Market	23000	0.5141
							Purchase		
12	Y GOKUL	0	0	15.01.2016	8200	0.1832	Market	8200	0.1832
							Purchase		
				22.01.2016	13054	0.2918	Market	21254	0.4750
							Purchase		
				04.03.2016	1664	0.0371	Market	22918	0.5122
							Purchase		

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	24.14	10,80,495	24.14
	At the end of the year	10,80,495	24.14	10,80,495	24.14

(in Rs.)

V. INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	11,06,84,172	0	0	11,06,84,172
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	11,06,84,172	0	0	11,06,84,172
Change in Indebtedness during the financial year				
* Addition	3,74,42,472			3,74,42,472
* Reduction	0	0	0	0
Net Change	3,74,42,472	0	0	3,74,42,472
Indebtedness at the end of the financial year				
i) Principal Amount	14,81,26,644	0	0	14,81,26,644
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	14,81,26,644	0	0	14,81,26,644

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	Total Amount
		(WTD)	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,56,000	6,56,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	14,144	14,144
	(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)	6,70,144	6,70,144
	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
		N Meenakshi sundaram	S Jambunath	P S Nathan	S Jayamalini	
	Fee for attending board committee meetings	18,000	18,000	4,000	8,000	48,000
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	18,000	18,000	4,000	8,000	48,000
	Other Non-Executive Directors	RM Lakshmanan				
	Other Non-Executive Directors	NIL	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	18,000	18,000	4,000	8,000	48,000
	Total Managerial Remuneration	18,000	18,000	4,000	8,000	48,000
	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	2,44,000	2,44,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,76,000	2,76,000
	(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	5,20,000	5,20,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE

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.5329.84 Lakhs

Out Go:

Foreign Travel : Rs.16.99 Lakhs

On Behalf of the Board.

Chennai
30.07.2016

SD/-
RM.Lakshmanan
Whole Time Director

SD/-
S.Jambunath
Director

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.9,00,000/- p.a.
(e)	Date(s) of approval by the Board	15 th July 2009
(f)	Amount paid as advances, if any	Rs.15,00,000/-

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, 2016 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, Nagelkeni (Chennai) and Kolkata. All the units are self sufficient to perform their duties and functions. The commitment of the Company towards quality and customer orientation reflects in its well-established clientele.

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

2. REVIEW OF OPERATIONS:

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

	2015-16	2014-15
SALES	Rs.5504.42	Rs.4232.35
EXPORTS	Rs.5484.67	Rs.4232.27

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 the cost 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.4749/- 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.15 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 modest improvement in its performance in 2017-2018.

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 2016-17.

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
30.07.2016

For and on behalf of the Management

RM.Lakshmanan
Whole Time Director
DIN: 00039603

Independent Auditor's Report

To the Members of
Euro Leder Fashion Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of Euro Leder Fashion Limited (hereinafter referred to as "the Company") , comprising of the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

1. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated with respect to the preparation and presentation of these financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 financial statements by the Directors of the Company, as aforesaid.

2. Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

EURO LEDER FASHION LIMITED

3. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2016, and its profit/loss and its cash flows for the year then ended on that date.

4. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid 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 financial statements.
 - (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 of the Company as on 31st March, 2016 taken on record by the Board of Directors of the Company, none of the directors of the Company are disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.*
 - (f) *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 : 30.05.2016

For N.VENKATESAN ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn.No.004632S

(N.VENKATESAN)
Partner
Membership No.22021

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 2016.

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) The company does not have any immovable property.
2. The inventory has been physically verified during the year by the management at reasonable intervals. In our opinion the frequency of verification is reasonable.
3. The Company has not granted or taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 189 of the Act
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, 2016 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 is 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. The Company has not raised any money by public offer during the year.
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.
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. The company is not a Nidhi Company. Therefore the provision of this clause is not applicable.
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 Financial Statements, etc. as required by the Accounting Standard.

EURO LEDER FASHION LIMITED

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. The provision of Section 45-IA of the Reserve Bank of India Act, 1934 is not applicable to this company.

Place: Chennai
Date: 30.05.2016

For N.VENKATESAN ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn.No.004632S

(N.VENKATESAN)
Partner.
Membership No.22021

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 2016 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 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

EURO LEDER FASHION LIMITED

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 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 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 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 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 2016, 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: 30.05.2016

For N.VENKATESAN ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn.No.004632S

(N.VENKATESAN)
Partner
Membership No.22021

Notes forming part of the financial statements for the year ended 31st March 2016

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 GENERAL

The accompanying financial statements have been prepared on historical cost conventions and in accordance with the generally accepted accounting principles.

1.2 FIXED ASSETS

Fixed assets are stated at cost.

1.3 DEPRECIATION

Depreciation is charged under Straight Line basis at the rates prescribed under Schedule II to the Companies Act, 2013. Depreciation on fixed assets added/disposed off during the year is provided on pro-rata basis.

1.4 INVENTORIES

Stock of raw material, work in progress, finished goods and consumables are valued at cost or net realizable value whichever is lower.

1.5 REVENUE RECOGNITION

- i) Duty Drawback claim are accounted on accrual basis.
- ii) The Company is entitled for import licence in respect of export made under DFIA (Duty Free Import Authorisation) basis. The import licence sold is accounted on net of Sales Tax.

1.6 BORROWING COST

Borrowing costs are recognized as an expense in the period in which they are incurred. No borrowing has been made for the acquisition of fixed asset. Borrowing cost, in respect of borrowing made for the purpose of acquisition of fixed asset if any will be capitalized until all the substantial activities necessary to prepare such assets for their intended use are complete.

1.7 RETIREMENT BENEFITS

- (A) Leave Salary: The Company's policy is to settle the claim of the employee's in respect of encashment of leave benefit at the time of retirement by the respective employees.
- (B) 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.
- (C) Pension/ Superannuating fund: Employers Contribution to pension / superannuating fund shall be in accordance with the scheme of the company.

1.8 FOREIGN CURRENCY TRANSACTION

Transactions in foreign currency are recorded at the rate of exchange at the time of relevant transaction. Exchange differences are accounted on actual realization/settlement.

1.9 SEGMENT REPORTING

The company is engaged in the manufacturing and exporting of leather garments. Hence there is no secondary segment to be reported.

1.10. TAXES ON INCOME

Provision for Income Tax is made for both current and deferred taxes. Provision for current Income Tax is made on the assessable income at the tax rates applicable to the relevant assessment years. Deferred Tax is accounted for by computing the tax effect of the timing difference, which arise during the year and reversed out in the subsequent periods. Deferred Tax is calculated at currently applicable tax rates. Deferred Tax assets are recognized only if there is virtual certainty that they will be realized.

EURO LEDER FASHION LIMITED

1.11. Income Tax demand amounting to Rs.4,04,363/- for the Assessment Year 2001-02 has been paid in full and an appeal is pending before the Commissioner of Income Tax (Appeals) III, Chennai.

1.12. Export Sales have been taken as Net Realisation Value for the year.

1.13 a) No dues to MSME undertakings to whom the Company owes any sum outstanding for more than 30 days.

b) No dues either principal or interest remaining unpaid to any supplier under the Micro Small and Medium Enterprise Development Act, 2006. Similarly no payments have been made to the suppliers beyond the appointed day without adding interest. No interest accrued and remaining unpaid during the year.

OTHER NOTES

	<u>31.3.2016</u>	<u>31.3.2015</u>
1. Contingent liability not provided for in respect of:		
(a) Income tax demand disputed pending on appeal (which includes income tax demand for the A.Y-2004-05 for Rs.704531/- has been paid in full and dispute pending on appeal)	41,08,129	41,08,129
(b) Bills discounted with banks	12,73,71,766	7,18,84,448
(c) Income tax demand for the A.Y.2003-04 and 2004-05 fully paid and pending before the assessing Officer in connection with Section 80HHC.		
(d) A.Y 2003-04 pending with CIT appeal III		

2. MANAGERIAL REMUNERATION:

Directors sitting Fees (No sitting fees is paid to Managing Director and Whole time Director)	48,000	50,000
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3. REMUNERATION TO MANAGING DIRECTOR AND WHOLE TIME DIRECTOR:

Salary	6,56,000*	10,56,000
Other Perquisites	14144	13,500
	670144	10,69,500

* during the year there was no Managing Director

4. RELATED PARTIES TRANSACTIONS:

The Company has entered into the following transactions with related parties as defined in Accounting Standard 18 issued by the institute of Chartered Accountants of India.

NATURE OF TRANSACTION

Factory Rent	
Rental Deposit (Paid to Smt.L Meenal wife of a Director)	15,00,000
Rent Paid during the year	9,00,000

EURO LEDER FASHION LIMITED

(B) RELATED PARTY DISCLOSURE

Nature of Relationship (Wife of Whole time Director) Salary Paid Rs. (Paid to Mr.Sajith Chandran H/o of Director of Mrs.Jayamalini)	4,20,000
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5. EARNING PER SHARE (EPS)

	31.03.2016	31.3.2015
Profit as per Profit & Loss account (Rs.In lacs).	62.93	48.55
Weighted Average number of equity shares (in lacs)	39.05	36.37
Basic and Diluted Earnings Per Share (Rs. P).	1.61	1.33
Nominal Value of Shares (Rs.).	10/-	10/-

6. The balances in sundry debtors, sundry creditors, loans, certain bank balances and advances including advances to capital contracts are subject to confirmation, reconciliation and consequential adjustments, if any, to be made.

(a) Capacities and Production (As certified by the Whole Time Director)

Licensed and Installed Capacity	UNITS			31.3.2016	31.3.2015	
Leather Garments	Nos			1,50,000	1,50,000	
Leather Goods	Nos			2,00,000	2,00,000	
Actual production						
Leather Garments	Nos			110193	83576	
Leather Goods	Nil	Nos		Nil	Nil	
(b) Turnover	UNITS	Qty.	Rs	UNITS	Qty.	Rs.
Leather Garments	Nos	108679	549039559		85219	420813914
Leather	SQ.FT	6913.40	1403120	Sq.Ft	17194.80	2421628
(c) Opening and Closing Stock of Goods						
Opening Stock	UNITS	Qty.	Rs.	UNITS	Qty.	Rs.
Leather Garments	Nos	839	5728822	Nos	2482	8255700
Leather Goods	Nos	Nil	Nil	Nil	Nil	Nil
		839	5728822			8255700
Closing Stock:						
Leather Garments		1044	6210450		839	5728822
Leather Goods		Nil			Nil	
			6210450			5728822
(d) Material Consumed	Sq. Ft	Rs.		Sq. Ft	Rs.	
Leather	5833476	375317404		3458969	295362304	
Other Accessories		70096021			55650267	
			445413425			351012572

EURO LEDER FASHION LIMITED

(E) Value of imported / indigenous material consumed				
Imports-Landed Cos	7.47%	33277749	10.29%	36136458
Indigenous	92.53%	412135676	89.71%	314876114
	100%	445413425	100%	351012572

(f) Value of Imports on C.I.F basis Nil Nil

(g) Expenditure in Foreign Currency
Selling Expenses Nil Nil

(h) Foreign Travel 16.99 6.09

(i) Earning in Foreign Currency
Exports of goods on F.O.B. value Rs. 5329.84 Lakhs Rs.4036.28 lakhs

7. Previous year figures have been regrouped wherever considered necessary to conform to current year's classification.

Place: Chennai
Date : 30.05.2016

EURO LEDER FASHION LIMITED

**M/S EURO LEDER FASHION LIMITED
BALANCE SHEET AS AT MARCH 31, 2016**

CIN:L18209TN1992PLC022134

(Amount in Rs.)

Particulars	Note	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
a) Share capital	2	39,051,750.00	36,370,500.00
b) Reserves and surplus	3	70,723,729.39	66,184,504.80
		109,775,479.39	102,555,004.80
Share application money pending allotment			
Non-current liabilities			
a) Deferred tax liabilities (Net)	4	1,148,326.00	1,494,438.00
b) Other long term liabilities	5	3,166,492.00	14,235,758.07
c) Long term provisions	6	9,473,103.00	9,473,103.00
		13,787,921.00	25,203,299.07
Current liabilities			
a) Short-term borrowings	7	148,126,644.19	110,684,172.19
b) Trade payables	8	18,832,684.41	19,452,020.01
c) Other current liabilities	9	66,358,043.43	24,247,035.09
d) Short-term provisions	10	4,000,000.00	1,900,000.00
		237,317,372.03	156,283,227.29
Total		360,880,772.42	284,041,531.16
ASSETS			
NON CURRENT ASSETS			
<u>(a) FIXED ASSETS</u>			
I) Tangible Assets	11	21,285,039.04	18,917,273.04
II) Capital work-in-progress	11	1,939,377.28	1,939,377.28
(b) Non Current Investments	12	8,751.00	8,751.00
(c) Long Term Loans and advances	13	29,677,984.77	27,234,351.52
		52,911,152.09	48,099,752.84
CURRENT ASSETS			
a) Current Investments	14	2,360,000.00	1,760,000.00
b) Inventories	15	35,236,703.00	56,693,872.00
c) Trade receivables	16	146,486,914.00	83,315,168.00
d) Cash and cash equivalents	17	94,047,090.60	51,101,322.43
e) Short-term loans and advances	18	13,144,520.03	22,031,100.20
f) Other current assets	19	16,694,392.70	21,040,315.69
		307,969,620.33	235,941,778.32
Total		360,880,772.42	284,041,531.16

Notes forming part of the financial statements
As per our report of even date attached

For N.Venkatesan Associates
Chartered Accountants
Firm Regn No:004632S

For and on behalf of the Board of Directors

N.Venkatesan
Partner
Membership No.22021

RM.Lakshmanan
Whole Time Director

S.Jambunath
Director

M.Nagendra
Chief Financial Officer

Place:Chennai
DATED:30.05.2016

EURO LEDER FASHION LIMITED

M/S EURO LEDER FASHION LIMITED
CIN:L18209TN1992PLC022134

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in Rs.)

Particulars	Note	Year ended March 31, 2016	Year ended March 31, 2015
Incomes			
Revenue from operations	20	617,750,351.00	503,695,720.20
Other income	21	15,007,671.50	10,251,132.87
Total Revenue		632,758,022.50	513,946,853.07
Expenses			
Cost of materials consumed	22	445,413,425.92	351,012,572.35
Purchases of Stock-in-Trade			
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	23	3,838,650.00	-1,793,400.00
Employee benefits expense	24	40,316,417.00	40,878,634.75
Finance costs	25	12,862,275.96	8,577,896.52
Depreciation and amortization expense	26	3,665,620.00	2,007,236.00
Other expenses	27	120,368,521.03	108,409,067.91
Total Expenses		626,464,909.91	509,092,007.53
Profit before tax		6,293,112.59	4,854,845.54
Tax expense:			
Current tax		2,100,000.00	1,900,000.00
Deferred tax		-346,112.00	63,476.00
Profit and loss appropriation account		0	97,604.00
Profit and loss for the year		4,539,224.59	2,793,765.54
Earnings per equity share:			
Basic		1.61	1.33
Diluted		1.61	1.33

Notes forming part of the financial statements
As per our report of even date attached

For N.Venkatesan Associates
Chartered Accountants
Firm Regn No:004632S

For and on behalf of the Board of Directors

N.Venkatesan
Partner
Membership No.22021

RM.Lakshmanan
Whole Time Director

S.Jambunath
Director

M.Nagendra
Chief Financial Officer

Place:Chennai
DATED:30.05.2016

EURO LEDER FASHION LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(Amount in Rs.)

	Year ended 31.03.2016	Year ended 31.03.2015
A. Net Profit / (Loss) before extraordinary items and tax	6,293,112.59	4,854,845.54
Adjustments for:		
Depreciation and amortisation	3,665,620.00	2,007,236.00
(Profit) / loss on sale / write off of assets	777,802.00	
Finance costs	9,973,344.75	5,112,752.00
	14,416,766.75	7,119,988.00
Operating profit / (loss) before working capital changes	20,709,879.34	11,974,833.54
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	21,457,169.00	1,186,688.00
Trade receivables	-63,171,746.00	47,977,629.00
Loans and advances	10,188,869.00	-2,023,552.38
Other current assets	-	-
	-31,525,708.00	47,140,764.62
Adjustments for increase / (decrease) in operating liabilities:		
Other current liabilities & Provisions	28,322,406.78	-21,429,991.43
	28,322,406.78	-21,429,991.43
Cash flow from extraordinary items	2,681,250.00	2,380,167.60
Cash generated from operations	20,187,828.12	40,065,774.33
Net income tax (paid) / refunds	2,100,000.00	1,900,000.00
Net cash flow from / (used in) operating activities (A)	22,287,828.12	41,965,774.33
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	-7,248,998.00	-3,030,790.00
Proceeds from sale of fixed assets	437,810.00	523,627.00
Net cash flow from / (used in) investing activities (B)	-6,811,188.00	-2,507,163.00
C. Cash flow from financing activities		
Net increase / (decrease) in working capital borrowings	37,442,472.00	-33,724,823.00
Finance cost	-9,973,344.00	-5,112,752.00
Net cash flow from / (used in) financing activities (C)	27,469,128.00	-38,837,575.00
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	42,945,768.17	621,036.38
Opening Cash and cash equivalents as at 01.04.2015	51,101,322.43	50,480,286.05
Closing Cash and cash equivalents as at 31.03.2016	94,047,090.60	51,101,322.43
* Comprises:		
(a) Cash on hand	8,537.95	4,509.45
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts	3,671,385.73	297,526.06
(ii) In EEFC accounts	79,664.00	773,237.00
(iii) In deposit accounts with original maturity of less than 3 months	90,287,502.92	50,026,049.92
(iv) In earmarked accounts (give details) (Refer Note (ii) below)		
(d) Others (specify nature)		
(e) Current investments considered as part of Cash and cash equivalents (Refer Note (ii) to Note 16 Current investments)		
	94,047,090.60	51,101,322.43

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 N.Venkatesan Associates
Chartered Accountants
Firm Regn No:004632S

For and on behalf of the Board of Directors

N.Venkatesan
Partner
Membership No.22021
Place:Chennai
DATED:30.05.2016

RM.Lakshmanan
Whole Time Director

S.Jambunath
Director

M.Nagendra
Chief Financial Officer

EURO LEDER FASHION LIMITED

Notes forming part of the Financial Statements as on 31.03.2016

Particulars	As at 31.03.2016 Amount in Rs.	As at 31.03.2015 Amount in Rs.
Shareholders funds		
2 Share Capital		
Authorized Capital	50,000,000.00	50,000,000.00
50,00,000 Equity Shares of Rs. 10/- each Issued, Subscribed and Paid up:		
4473600 Equity Shares of Rs. 10/- each fully paid up	44,736,000.00	44,736,000.00
Less:calls in arrears	5,684,250.00	8,365,500.00
Total Rs.	39,051,750.00	36,370,500.00
2.1 Shares in the Company held by each shareholder holding more than 5 per cent shares		
Name of the Shareholders	No of shares held	No of shares held
Shri.RM.Lakshmanan	1,080,495.00	1,080,495.00
% of holding	24.15	24.15
3 Reserves and Surplus		
Opening balance	66,184,504.80	63,390,739.26
Net Profit For the current year	4,539,224.59	2,793,765.54
Closing Balance	70,723,729.39	66,184,504.80
4 NON CURRENT LIABILITIES		
Deferred tax liabilities (Net)		
Related to Fixed assets	1,148,326.00	1,494,438.00
Other Long term Liabilities	3,166,492.00	14,235,758.07
Long term provisions	9,473,103.00	9,473,103.00
TOTAL RS.	13,787,921.00	25,203,299.07
7 CURRENT LIABILITIES		
a) Short Term Borrowings-Secured- Ref Note No.7.1, 7.2 & 7.3		
a) Packing Credits	20,754,878.19	25,891,749.19
b) Bills negotiation with bank	127,371,766.00	71,884,448.00
		12,907,975.00
TOTAL Rs.	148,126,644.19	110,684,172.19
7.1 Deposit of title deeds of land at adyar belong to the one of the directors relative of the Company		
7.2 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 . &		
7.3 Personal guarantee of Two directors of the company		
8 b) 'Trade payables		
Trade Payable-Suppliers	18,832,684.41	19,452,020.01
	18,832,684.41	19,452,020.01
9 C) Other current liabilities		
Other Current Liabilities	65,223,499.29	23,244,516.09
Statutory Dues	596,852.00	757,619.00
Due to Directors	537,692.14	244,900.00
TOTAL Rs.	66,358,043.43	24,247,035.09
10 D) 'Short-term provisions		
Provision for Income Tax	4,000,000.00	1,900,000.00
	4,000,000.00	1,900,000.00
TOTAL CURRENT LIABILITIES	360,880,772.42	284,041,531.16

EURO LEDER FASHION LIMITED

Notes forming part of the Financial Statements as on 31.03.2016

ASSETS	31.03.2016	31.03.2015
NON CURRENT ASSETS		
11 FIXED ASSETS		
I) Tangible Assets	21,285,039.04	18,917,273.04
II) Intangible assets	-	-
III) Capital work-in-progress	1,939,377.28	1,939,377.28
Total Rs.	23,224,416.32	20,856,650.32
(b) Non Current Investments		
12 Trade Investments		
Equity Shares -Fully Paid up 154 Shares in Lakshmi Vilas Bank Ltd (Aggregate Value of quoted invesment)	8,751.00	8,751.00
Total Rs.	8,751.00	8,751.00
13 (c) Long Term Loans and advances		
Unsecured Considered Good		
Capital Advances		-
Rental and Security Deposits	8,884,224.52	8,781,829.52
Advance Income Tax & Self assessment tax	13,831,227.00	11,931,227.00
Others	6,962,533.25	6,521,295.00
Total Rs.	29,677,984.77	27,234,351.52
Grand Total Rs.	29,677,984.77	27,234,351.52
CURRENT ASSETS		
14 Current Investment		
Canara Rebeco Gold Saving Fund	2,360,000.00	1,760,000.00
	2,360,000.00	1,760,000.00
15 Inventories (As Certified by the Whole Time Director)		
Raw Materials including Scraps	24,738,592.00	41,639,950.00
Consumables	4,287,661.00	5,004,822.00
Work in Progress	775,000.00	724,000.00
Finished Goods	5,435,450.00	9,325,100.00
Total Rs.	35,236,703.00	56,693,872.00

EURO LEDER FASHION LIMITED

Notes forming part of the Financial Statements as on 31.03.2016

ASSETS	31.03.2016	31.03.2015
16 Trade Receivables		
Unsecured		
Debts overdue for a period exceeding six months		
- Considered Good (exceeds one year)	-	794,828.00
- Doubtful		
Other debts		
- Considered Good (Current Year receivables)	146,486,914.00	82,520,340.00
- Doubtful		
Total Rs.	146,486,914.00	83,315,168.00
Less: Provision for doubtful debts		
Total Rs.	146,486,914.00	83,315,168.00
17 Cash and cash equivalents		
Balances with banks		
In Current Accounts	3,671,385.73	297,526.06
In EEFC Accounts	79,664.00	773,237.00
In Deposit	90,287,502.92	50,026,049.92
Cash on hand	8,537.95	4,509.45
Total Rs.	94,047,090.60	51,101,322.43
18 Short term Loans and advances		
Unsecured - Considered Good		
Loans and advances	7,861,500.00	8,668,500.00
Rent Deposits	190,000.00	100,000.00
Value added Tax Input	-	-
Other advances	5,093,020.03	13,262,600.20
Total Rs.	13,144,520.03	22,031,100.20
Less: Provision for doubtful debts		
Total Rs.	13,144,520.03	22,031,100.20
19 F) Other Current assets		
Duty Drawback Receivable	6,646,403.00	9,749,177.00
Vat in put credit receivable	10,047,989.70	11,291,138.69
Total Rs.	16,694,392.70	21,040,315.69
TOTAL CURRENT ASSETS	337,656,356.10	263,184,880.84
TOTAL CURRENT AND NON CURRENT ASSETS	360,880,772.42	284,041,531.16

EURO LEDER FASHION LIMITED

	Year ended 31 March 2016	Year ended 31 March 2015
20 Revenue from operations		
SALE OF PRODUCTS		
Export Sales	547,379,673.00	422,647,047.20
Local Sales	1,906,626.00	780.00
Second Sales	68,915.00	7,500.00
Form H Sales	1,087,465.00	580,215.00
	550,442,679.00	423,235,542.20
OTHER OPERATING REVENUES		
Duty Draw Back received	55,926,381.00	54,402,067.00
Import License Sold	11,381,291.00	26,058,111.00
TOTAL	67,307,672.00	80,460,178.00
TOTAL	617,750,351.00	503,695,720.20
21 Other Income		
INTEREST INCOME		
Interest received (F.D)	5,156,976.00	5,290,908.87
Interest from ICICI Bank	13,719.00	11,422.00
Insurance Claim Received-Factory	-	4,937,588.00
Insurance Claim Received-Vehicle	31,522.00	11,214.00
Exchange Difference	9,805,454.50	-
TOTAL	15,007,671.50	10,251,132.87
22 Cost of materials consumed (Ref Note No.27.2,27.3)		
Materials Consumed- Leathers		
Opening Stock	41,639,950.00	44,333,789.00
Add : Purchases	358,416,046.88	292,668,465.84
	400,055,996.88	337,002,254.84
Less : Closing Stock	24,738,592.00	41,639,950.00
TOTAL	375,317,404.88	295,362,304.84
Materials Consumed- Consumables		
Opening Stock	5,004,822.00	5,291,071.00
Add : Purchases	66,887,411.54	53,744,781.51
	71,892,233.54	59,035,852.51
Less : Closing Stock	4,287,661.00	5,004,822.00
	67,604,572.54	54,031,030.51
Add : Chemical Purchase	2,491,448.50	1,619,237.00
	70,096,021.04	55,650,267.51
TOTAL	445,413,425.92	351,012,572.35
23 Changes in inventories of finished goods work-in-progress and Stock-in-Trade		
Increase/ (Decrease) In stock :-		
Opening Stock		
Finished Goods	9,325,100.00	6,285,700.00
Work In Progress	724,000.00	1,970,000.00
	10,049,100.00	8,255,700.00
Closing Stock		
Finished Goods	5,435,450.00	9,325,100.00
Work In Progress	775,000.00	724,000.00
Increase / (Decrease In Stock)	3,838,650.00	-1,793,400.00

EURO LEDER FASHION LIMITED

	Year ended 31 March 2016	Year ended 31 March 2015
24 Employee Benefits Expense		
Salaries and incentives		
Directors Remuneration		
Sri. A.R.Ramanathan Managing Director	-	300,000.00
Sri. R.M.Lakshmanan Whole Time Director	440,000.00	360,000.00
HRA To Directors :-		
Sri. A.R.Ramanathan Managing Director	-	216,000.00
Sri. R.M.Lakshmanan Whole Time Director	216,000.00	180,000.00
Salaries & Wages	36,192,380.00	36,688,365.00
Security Charges	363,654.00	545,294.00
TOTAL	37,212,034.00	38,289,659.00
Contributions to		
Contribution to Provident fund	1,402,846.00	1,297,782.00
Contribution to ESIC	243,657.00	238,281.00
Staff welfare expenses	1,457,880.00	1,052,912.75
TOTAL	3,104,383.00	2,588,975.75
GRAND TOTAL	40,316,417.00	40,878,634.75
25 Finance costs		
Interest Paid to Banks	9,973,344.75	5,112,752.53
Bank Charges	2,888,931.21	3,465,143.99
TOTAL	12,862,275.96	8,577,896.52
26 Depreciation and amortization expense		
Depreciation	3,665,620.00	2,007,236.00
	3,665,620.00	2,007,236.00
27 Other expenses		
Rent Paid	8,245,408.00	7,727,352.00
Annul Listing Fees	224,720.00	130,337.00
Agm Expenses	55,507.00	30,802.00
<i>Annual Maintanance Charges</i>	102,458.00	
Fees & Taxes	312,001.00	262,443.00
Insurance	451,804.47	536,374.00
Packing Material Consumed	209,239.20	42,954.00
Air Freight & Transport Charges	17,006,810.01	19,062,537.44
Export Agency Commission	21,983,122.00	9,819,223.00
Postage,Telegram & Telephone	1,410,176.49	1,222,419.52
Printing & Stationery	836,683.00	720,638.50
Travelling & Conveyance	967,687.00	756,918.00
Travelling & Conveyance (including overseas)	1,699,460.00	609,538.00
Repairs & Maintenance :-		
a. Building	359,113.00	365,425.00
b. Computers	271,681.36	249,397.00
c. Others	1,545,874.25	1,766,780.67
d. Plant & Machinery	1,393,891.60	1,307,844.83
Sitting Fees	48,000.00	50,000.00
Advertisement Charges	29,214.00	42,600.50
Professional Charges	640,093.00	358,626.00
Boarding and lodging expenses	15,668.00	138,556.91
Bad Debts Written Off	-	-
Bonus Paid	2,904,657.00	2,705,885.00
Leave Encashments	177,225.00	154,962.00

EURO LEDER FASHION LIMITED

	Year ended 31 March 2016	Year ended 31 March 2015
Donations	-	21,701.00
General Expenses	2,500.00	2,500.00
Service Tax paid	378,335.00	310,042.00
ECGC Premium	445,521.00	438,725.00
Exchange Rate Difference	-	7,643,852.71
Vehicle Maintenance	1,425,464.00	1,625,724.50
Forward contract Loss	918,000.00	-
Export Promotion Expenses	344,307.58	423,228.69
Pooja Expenses	119,384.00	123,969.00
Interest paid	6,164.00	2,559.00
FST Charges	49,965.00	27,843.00
Office Maintanance	331,675.00	309,425.00
Books & Periodicals	2,670.00	2,710.00
Entertainment expenses	487.35	1,500.00
Loss on sale of assets	777,802.00	353,922.00
Inspection charges		80,972.00
Rounded off	78.51	-125.66
Membership & Subscription	-	13,500.00
Power & Fuel	1,548,815.42	1,744,785.12
Electricity Charges	3,330,081.00	2,726,007.00
Labour Charges	43,937,085.90	36,441,520.13
Leather Processing Charges	1,988,575.83	2,462,955.56
Commission Paid	3,766,116.06	5,485,137.49
Audit Fees (Ref Note No.27.1)	105,000.00	105,000.00
TOTAL	120,368,521.03	108,409,067.91
27.1 Amount Paid / Payable to Auditors		
Audit Fees	75,000.00	75,000.00
Taxation	25,000.00	25,000.00
Certification fees	5,000.00	5,000.00
TOTAL	105,000.00	105,000.00
27.2 Raw material Consumed		
Leather-5833476 sq.ft & 3458969 sq.ft	375,317,404.88	295,362,304.84
Other Accessories	70,096,021.04	55,650,267.51
	445,413,425.92	351,012,572.35
27.3 Value of imported/indigeneous material consumed		
Import-Landed Cos-7.47% & 10.29%	33,277,749.00	36,136,458.00
Indigeneous-92.53% & 89.71%	412,135,676.92	314,876,114.35
Total -100%	445,413,425.92	351,012,572.35

EURO LEDER FASHION LIMITED
Notes forming part of financial statements for the year ended 31st March 2016
NON CURRENT ASSETS

FIXED ASSETS		Gross Block				Depreciation				Net Block	
		As at 01.04.2015	Additions	Deletions	As at 31.03.2016	Up to 01.04.2015	For the Year	Adjustment	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
1	Plant & Machinery	15,495,196.99	4,188,272.00		19,683,468.99	4,520,228.20	1,299,581.00	-	5,819,809.20	13,863,659.79	10,974,968.79
2	Furniture & Fixtures	4,116,902.19	13,809.00		4,130,711.19	1,676,253.85	391,833.00	-	2,068,086.85	2,062,625.34	2,440,648.34
3	Motor Car	8,407,068.97	2,944,667.00	1,841,187.00	9,510,548.97	3,267,613.77	1,633,021.00	625,575.00	4,275,059.77	5,235,489.76	5,139,455.20
4	Computer	1,033,248.50	102,250.00	-	1,135,498.50	671,049.34	341,185.00	-	1,012,234.34	123,264.16	362,199.16
5	Work In Progress	29,052,416.64	7,248,998.00	1,841,187.00	34,460,227.64	10,135,145.16	3,665,620.00	625,575.00	13,175,190.16	21,285,039.04	18,917,271.48
		1,939,377.28	-	-	1,939,377.28	-	-	-	-	1,939,377.28	1,939,377.28
	TOTAL Intangible Assets	30,991,793.92	7,248,998.00	1,841,187.00	36,399,604.92	10,135,145.16	3,665,620.00	625,575.00	13,175,190.16	23,224,416.32	20,856,648.76
	TOTAL	-	-	-	-	-	-	-	-	-	-
	GRAND TOTAL	30,991,793.92	7,248,998	1,841,187.00	36,399,604.92	10,135,145.16	3,665,620.00	625,575.00	13,175,190.16	23,224,416.32	20,856,648.76

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 24th Annual general meeting of the company, to be held on Thursday the 29th day of September, 2016 at 11.00 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 2016, 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. N. Venkatesan Associates, Chartered Accountants, as Statutory Auditors and to fix their remuneration.
4	To re-appoint Shri. P.S. Nathan, Independent Director of the Company, not liable to retire by rotation, for a period of 2 (two) years w.e.f. 18.09.2016.
5	To re-appoint Shri. S. Jambunath, Independent Director of the Company, not liable to retire by rotation, for a period of 2 (two) years w.e.f. 18.09.2016.
6	To re-appoint Shri. N. Meenakshi Sundaram, Independent Director of the Company, not liable to retire by rotation, for a period of 2 (two) years w.e.f. 18.09.2016.
7	To approve the increas in the remuneration paid to Shri. RM Lakshmanan, Whole – Time Director.

Signed this..... day of September 2016

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.

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

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 24th Annual general meeting of the Company held on Thursday the 29th day of September, 2016 at 11.00 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