



9th

ANNUAL REPORT

2001

EURO LEDER FASHION LIMITED

EURO LEDER FASHION LIMITED

EURO LEDER FASHION LTD

Board of Directors	1. Shri. AR. RAMANATHAN	- Managing Director
	2. Shri. AR. ARUNACHALAM	- Director
	3. Shri. S. NARAYAN	- Director
	4. Shri. RM. LAKSHMANAN	- Wholetime Director
	5. Shri. P. T. GOPALA RAAJA	- Director
	6. Shri. P. S. NATHAN	- Director

Auditors - M/s VENKATESAN ASSOCIATES,
Chartered Accountants
20 (old NO.8), Dr. Natesan Salai,
Ashok Nagar, Chennai,
Tel : 4896897

Internal Auditors - Shri.P. Gurunathan
Chartered Accountant
1/15, III rd Main Road,
Gandhi Nagar, Adyar,
Chennai-600 020.
Tel : 4430689

**Registered Office &
Factory** - No.99.G.S.T. Road,
Pallavaram, Chennai- 600 043
Tel :2401363 and 2401837
Fax : 2382043

Bankers - ICICI Bank Ltd

EURO LEDER FASHION LIMITED

FOR THE ATTENTION OF THE MEMBERS

1. Register of Members and Share Transfer books of the Company will remain closed from 20th September to 28th September 2001 (both days inclusive)
2. Members are requested to notify immediately any change in their address to the Company specifying the full address in block capitals with Pincode number of the Post office etc.,
3. Members are requested to quote their Folio number in all correspondence.
4. Members are requested to quote their queries relating to the accounts at least 10 days before the date of the Meeting, so that the information can be made available at the meeting.
5. 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.
6. Members are requested to hand over the attendance slip duly signed at the entrance of the Meeting hall.
7. Registration starts at 9.00 A.M at Sivanthi Adithanar Thirumana Mandapam Ponniyamman Koil Street,k.Pallavaram, Chennai-600 043 on 28th September 2001.

Notice of 9th Annual General Meeting

Notice is hereby given that the 9th Annual General Meeting of the Company will be held on Friday, the 28th September, 2001 at 12.00 noon at Sivanthi Adithanar Thirumana Mandapam, Ponnamman Koil Street, K. Pallavaram, Chennai-600 043 to transact the following business

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2001 and the Profit and Loss Account for the year ended on that date, together with the notes thereon and the schedules thereto and the reports of the Auditors and the Directors.
2. To appoint a Director in the place of Shri P.T.Gopala Raaja who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors of the company and fix their remuneration. M/s.N. Venkatesan Associates Chartered Accountants, Chennai the retiring auditors, are eligible for reappointment.

By order of the Board

Place : Chennai
Date : 28.5.2001

AR. RAMANATHAN
Managing Director

NOTE:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS DULY COMPLETED SHALL BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.

EURO LEDER FASHION LIMITED**DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in submitting their Ninth Annual Report and that of the Auditors' together with the audited Balance Sheet as at 31st March 2001 and the Profit and Loss Account for the year ended on that date.

Financial Performance**(Rs. in lakhs)**

Particulars	2001	2000
income from Operations	762.66	520.76
Profit before Depreciation Taxation	27.14	57.56
Less :		
Depreciation	1.98	1.49
Profit before and after tax	25.16	56.07
Loss Brought Forward	(35.84)	(91.91)
Loss carried to the Balance Sheet	(10.68)	(35.84)

In view of the accumulated losses, your Directors do not recommend any dividend.

AUDITORS' REPORT

The observations by the auditors in note 6 (b) to the accounts are self-explanatory. The company is taking steps for actuarial valuation of the gratuity liability.

PROSPECTS

The company has performed well in the year under review and as reported a profit of Rs.25.16 lakhs during the year. Thanks to the healthy order position. The trend has continued in the current year and the results have been encouraging. The order position too continues to be healthy. The company is also likely to gain from the value of US dollar raising vis-a-vis the rupee. The prospects of the company for wiping out its past losses appear bright.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 217 (2AA) of the Companies Act, 1956, your Directors subscribe to the "Directors' Responsibility Statement" and confirm that:

1. The Directors have followed, in the preparation of the annual accounts, the applicable accounting standards along with proper explanations relating to material departures, if any;
2. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the company at the end of the financial year and of the profit or loss of the company for the year;

FOREIGN EXCHANGE EARNINGS AND OUTGO**Earnings:**

F O B Value of Exports : Rs.739.92 lakhs

Outgo:

Commission to foreign agents : Rs.21.58 lakhs

Foreign Travels : Rs.1.43 lakhs

LISTING

The shares of the company are listed in the Stock Exchanges at Chennai and Mumbai. The listing fees for 2001-2002 has been paid

ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their thanks to the Government of India, Banks and customers and suppliers 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

AR. Ramanathan
Managing Director

RM. Lakshmanan
Whole time Director

Place : Chennai

Date : 28th may 2001

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EURO LEDER FASHION LIMITED

3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting and records in accordance with the provisions of the Act for safeguarding the assets of the company and for safeguarding the assets of the company and for preventing or detecting fraud or other irregularities;
4. The Directors have prepared the annual accounts on a going concern basis.

DIRECTORS

Shri P.T.Gopala Raaja who retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for reappointment.

AUDITORS

M/s.N. Venkatesan Associate Chartered Accountants, Chennai the retiring auditors are eligible for reappointment.

PERSONNEL

None of the employees of the company was in receipt of remuneration which comes under the provisions of the Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended.

INFORMATION UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956.

Information as per clause (e) of Section 217(1) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 for the year ended 31st March 2001 is given below.

CONSERVATION OF ENERGY

	2001	2000
Electricity consumed - Units	34,720	31,612
Total Cost	Rs. 1,42,807/-	Rs. 1,22,496/-
Generator fuel	Rs. 16,791/-	Rs. 20,749/-
Average Cost per Unit	Rs. 4.11	Rs. 3.88
Average Consumption per Unit of production	N.A.	N.A.

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.

RESEARCH AND DEVELOPMENT

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

Expenditure on R & D : NIL