

FOR THE ATTENTION OF THE MEMBERS

1. Register of Members and Share transfer books of the Company will remain closed from 7th August, 2013 to 21st August, 2013 (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 pin code of the Post office etc;
3. Members are requested to quote their Folio Number in the 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 necessary 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 10.30 a.m. at- Mahalaya Residency, No.114, GST Road,(Opposite to Areva) Pallavaram Chennai- 600 043 on Wednesday the 21st August, 2013.

EURO LEDER FASHION LIMITED

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

Auditors	- M/s.N.Venkatesan Associates Chartered Accountants, 20(Old No.8) Dr.Natesan Salai, Ashok Nagar. Chennai.-600 083 Tel.044-2489 3635
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Registered Office & Factory	No.99 G.S.T.Road Pallavaram, Chennai.600 043 Tel.044-42943204 044-42943202 044-42943203 Fax.044-2264 3043
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Bankers	Canara Bank, Overseas Branch, Chennai.
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NOTICE OF 21st ANNUAL GENERAL MEETING

Notice is hereby given that the 21st Annual General Meeting of the Company will be held on Wednesday, the 21st August 2013 at 11.00.A.M. at Mahalaya Residency, No.114, GST Road, (Opp.Areva) 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 2013 and the Profit and Loss Account 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 appoint a Director in the place of Shri. N.Meenakshi Sundaram who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in the place of Shri. S.Jambunath who retires by rotation and being eligible offers himself for reappointment.
4. 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

Chennai
30.05.2013

AR.Ramanathan
Managing Director

Notes:

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.
2. Proxy Forms duly completed shall be deposited with the Company at its Registered Office not less than 48 hours before the meeting.
3. The Register of Members and Share Transfer Books will remain closed from 7th August, 2013 to 21st August, 2013 (both days inclusive).

By Order of the Board

Chennai
30.05.2013

AR.Ramanathan
Managing Director

DIRECTORS REPORT TO THE MEMBERS

Your Directors have pleasure in submitting their Twenty first Annual Report and that of the Auditors' together with the audited Balance Sheet as at 31st March 2013 and the Profit/ Loss Account for the year ended on that date.

FINANCIAL PERFORMANCE

(Rs. in lakhs)

PARTICULARS	2013	2012
Income from Operations	3861.26	4584.07
Profit before Depreciation and Taxation	-4.35	59.88
Less:		
Depreciation	17.42	15.75
Profit before Tax	-21.78	44.12
Provision for Tax	0.90	16.46
Profit after Tax	-22.69	27.67
Profit brought forward	302.78	275.12
Profit available for appropriation	280.09	302.78
Profit/Loss carried to Balance Sheet	280.09	302.78

DIVIDEND

Your Directors wish to inform that the Company has incurred loss during the year hence no dividend has been recommended.

PERFORMANCE

The Company has achieved a turnover of Rs.3861.26 lacs in 2012-2013 and Loss of Rs.(21.78) lacs before tax. The fire occurred at the factory at Nagelkeni on 15.09.2012 and caused a loss of business. Machinery and stock including finished goods and consumables were lost due to the fire. The Company has preferred a claim with the Insurance Company and the claim is under process. The loss after tax has been Rs.-22.69 lacs.

PROSPECTS

The value of US\$ and Euro against the Rupee has gone up in the past few months & has resulted in an improved realization from exports. This is likely to benefit the bottom line of the Company in the current year .The order position is healthy and the Company should register a modest improvement in its performance in 2013-2014.

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 explanation relating to material departures if any:

2. The Directors have selected such 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 the affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year.
3. The Directors have taken proper and sufficient care for the maintenance of adequate, accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing or deducting fraud or other irregularities.
4. The Directors have prepared the annual accounts on going concern basis.

CORPORATE GOVERNANCE

The Report on Corporate Governance and Management Discussion and Analysis as well as Auditors certificate on Compliance with the code of Corporate Governance are provided in separate Annexure to this report.

DIRECTORS

Shri S.Narayan resigned from the Board on 30th October 2012 and Shri A.R.Arunachalam 22nd May 2013. The Board places on record its sincere appreciation of the guidance and help received from both of them during their tenure as Directors of the Company.

Shri.N.Meenakshi Sundaram and Shri S.Jambunath retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

AUDITORS

M/s.N.Venkatesan Associates, Chartered Accountants, Chennai, the retiring auditors are eligible for reappointment and have given their consent for reappointment.

PERSONNEL

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

COMPLIANCE CERTIFICATE

A Secretarial compliance certificate from a company secretary in practise is attached.

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 Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 for the year ended 31st March 2013 is given below.

CONSERVATION OF ENERGY

	2013	2012
Electricity Consumed-Unit	262778	277329
Total Cost	Rs.1449401	Rs.1778336

Generator Fuel	Rs.2070871	Rs.1658428
Average Cost per unit	Rs.5.51	Rs.5.98
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 departments.

Expenditure on R& D: NIL

FOREIGN EXCHANGE EARNINGS AND OUTGO

EARNINGS:

F O B Value of Exports. : RS.3129.64 lacs

Out Go:

Selling Expenses in Foreign Currencies: NIL

Foreign Travel Rs.4.47 Lakhs

ACKNOWLEDGEMENT

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.

Chennai
30.05.2013

AR.Ramanathan
Managing Director

RM.Lakshmanan
Whole Time Director.

ANNEXURE TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

The Board has adopted the principles of good corporate governance with emphasis on transparency, integrity and accountability. The Board believes that good governance is voluntary and reflects self-discipline with the strongest impetus coming from the Directors and the Management. The Organization of the Company Endeavour's to be progressive, competent and trustworthy, creating value for customers and shareholders while reflecting the best of Indian values in its conduct.

All the Directors have complied with the Company's code of conduct for prevention of insider trading in its shares.

BOARD OF DIRECTORS

COMPOSITION

The Board presently consists of 5 Directors, 2 of whom are Executive. The management of the affairs of the company is vested with Shri.AR.Ramanathan, Managing Director and Shri.Rm.Lakshmanan, Whole Time Director, subject to the general supervision, control and direction of the Board. Shri.AR.Ramanathan, heads the Management team, holds operational responsibility for the day –to-day activities of the Company and has been entrusted with ensuring that all management functions are carried out professionally and is accountable to the Board for actions and results. of the 5 Directors, 3 are independent and 2 represent the promoters. The independent Directors play an important role in the deliberations of the Board level and bring to the Company the wide experience in the fields of industry, banking and administration and contribute significantly to Board Committees. Their independent role vis-à-vis the Company means that they add a broader perspective, help to ensure that the interests of the Shareholders are kept in acceptable balance and can also provide an objective view in all matters under the consideration of the Board.

BOARD MEETINGS AND COMMITTEES

Board meetings are held and are usually scheduled reasonably in advance. The Board generally meets at least once a quarter, to inter-alia, review the quarterly financial results. In order to ensure greater attention of the Directors to the affairs of the Company, the Board delegates specified matters to its committees which also prepare the groundwork for decision making and report to the Board.

The Board met 4 times during the year. The attendance of the Directors at the meetings of the Board and the Annual General Meeting are as follows:

	No.of Meetings Of the board		Membership of other Boards	Whether Present at the AGM
	Held	Attended		
Shri.AR.Ramanathan	4	3	Sournam Plantations P Ltd	No
			Euro Prime Properties P Ltd	
Shri.RM.Lakshmanan	4	3	Euro Prime Properties P Ltd	Yes
			Leder Trendz P Ltd	
Shri.AR.Arunachalam*	4	3	Gudang Garam Tabak Industries Ltd	Yes
			Suryabarath Indus P Ltd	
Shri.S.Narayan**	4	2		Yes
Shri.P.S.Nathan	4	1		No
Shri.S.Jambunath	4	4		Yes
Shri.N.Meenakshi Sundaram	4	1		No

Note:

* Resigned on 22.05.2013

** Resigned on 30.10.2012

During the year there was no pecuniary relationship or business transaction by the Company with any non-executive director (other than the sitting fee for attending the Board and Committee meetings). Board meetings were held during the year on 31st May, 2012, 30th July, 2012, 31st October, 2012 and 31st January, 2013.

Remuneration paid to the Directors

Executive Directors

Name	Designation	Sitting Fees	Salary&Perquisites
Shri.AR.Ramanathan	Managing Director	Nil	Rs.11,60,500/-
Shri.RM.Lakshmanan	Whole Time Director	Nil	Rs.5,76,000/-

Non-Executive Directors	ARA	NM	SJ	PSN	SN
For attending Board meetings	6000	2000	8000	2000	4000
For attending Committees	Nil	2000	8000	2000	4000

AUDIT COMMITTEE

The terms of reference of the Audit Committee, specified by the Board in writing, include a review of the audit procedures and techniques, financial reporting systems, internal control systems and procedures besides ensuring compliance with regulatory guidelines. The Committee recommends the appointment of statutory auditors and their fees/payments and takes on overview of the financial reporting process to ensure the financial statements are correct, sufficient and credible. The reports of the statutory and internal auditors are reviewed along with the managements' comments and action taken reports. The committee has full authority to investigate any matter within its terms of reference and has full access to the information, resources and external professional advice, which it needs to do so. The Committee has been mandated to meet at least 4 times in a year, once to assess the audited accounts before they are put up to the Board, besides reviewing the un-audited financial statements for each quarter. It has also been reviewing the compliance by the Company of various laws.

The Committee met 4 times during the year on 31st May, 2012, 30th July, 2012, 31st October, 2012 and 31st January, 2013

	No.Meetings attended
Shri.P.S.Nathan- Chairman	1
Shri.N.Meenakshi Sundaram-Member	1
Shri.S.Jambunath-Member	4
Shri.S.Narayan-Member (resigned on 30.10.2012)	2

Remuneration Committee:

It did not meet during the year

Shareholders Grievance Committee:

Shri.S.Jambunath and Shri.AR.Ramanathan constitute this committee which meets as often as necessary to minimize any delay in the share transfer process. Any shareholder's grievance is referred to this committee for speedy resolution. Shri S.Jambunath is the Chairman of this Committee.

Shri.M.Nagendra is the Compliance Officer.

The committee met 8 times during the year. No grievance/complaint was received during the year.

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. A declaration signed by the Managing Director and CEO in this regard is reproduced below:

“I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Personnel of the Company, affirmation that they have complied with the Code of Ethics and Business Conduct framed for Directors and Senior Personnel in respect of the financial year 2012-2013”.

All the Directors of the Company have affirmed their compliances with the Company’s Code of Conduct for prevention of insider trading in its shares.

AR.RAMANATHAN
Managing Director & CEO.

The details of the last 3 Annual General Meetings are:

Date	Time	Venue
20.09.2010	11.00A M	Maharaja Restaurant Chromepet, Chennai
28.09.2011	11.00A M	Mahalaya Residency Pallavaram, Chennai
27.09.2012	11.15A M	Mahalaya Residency Pallavaram, Chennai

Disclosures:

1. There have been no significant related party transactions during the year.
2. No penalties have been imposed or strictures have been issued by any stock exchange or SEBI or any other statutory authority on any matter related to Capital markets during the last three years.
3. No personnel have been denied access to the audit committee.
4. The Company has complied with all the mandatory requirements.
5. Means of Communications:

The main source of information for shareholders is the Annual report, which includes, inter-alia the reports of the Directors and the auditors, the audited accounts and the Management’s Discussion and Analysis Report on operations and outlook. The quarterly financial results are published in NEWS TODAY in English & MAALAI SUDAR in Tamil.

6. General Shareholder’s Information:

- i) Annual General Meeting: 21st August 2013
- ii) Financial year of the Company runs from 1st April to 31st March
- iii) Date of Book Closure: 7th August, 2013 to 21st August, 2013 (both days Inclusive)
- iv) The Company’s equity shares are listed at the stock exchanges at Chennai and Mumbai. The Listing fee for the financial year 2013-2014 has been paid to both the exchanges. The equity shares have directed to be

compulsorily traded in the dematerialized form and the company has entered into agreement with NSDL and CSDL

- v) The ISIN No of the Company is INE 940E01011
Bombay Stock Exchange code No 526468.

- vi) The Shares have not been traded regularly on any stock exchange during the year traded only in BSE.
Market Price data: Highest Rs 10.20
Lowest Rs 3.40

- vii) M/s. Cameo Corporate Services Ltd; No.1.Club House Road, Chennai.600 002 are the share transfer agents of the Company for both physical and dematerialized forms.

vii) Distribution of Share Holdings as on 31st March 2013

Category (Rs.)	No of Share Holders	%
Up to 5000	3877	81.6038
5001-10000	527	11.0924
10001-20000	217	4.5674
20001-30000	39	0.8208
30001-40000	30	0.6314
40001-50000	10	0.2104
50001-100000	20	0.4209
100000 and above	31	0.6524
TOTAL	4751	100

- ix) Plant Location: The Company's factory is located at 99.G.S.T.Road,Pallavaram, Chennai 600 043.

- x) Address for Correspondence:

No.99.G.S.T.Road,
Pallavaram,
Chennai.600 043
Phone: 044-42943204
044-42943203
044-42943202
FAX : 044-2264 3043

7. Calender of Events:

Publication of quarterly results.

1 st Quarter	:End July
2 nd Quarter	:End October
3 rd Quarter	:End January
Audited Accounts	:End May
Annual General Meeting	:August/September