



23rd ANNUAL REPORT
2014 - 2015

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

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.

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NOTICE OF 23rd ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 23rd ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON WEDNESDAY, THE 23rd SEPTEMBER 2015 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 2015 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 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(s) 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, 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 an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 149, 152, Schedule IV and other applicable provisions if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Smt. Jayamalini (DIN: 07165811), who was appointed as an Additional Director of the Company with effect from 27th April, 2015 by the Board of Directors and who holds office upto the date of this Annual General Meeting pursuant to section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice from a member under section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of Two (2) consecutive years commencing from 23rd September, 2015.”

“RESOLVED FURTHER THAT Shri. RM. Lakshmanan (DIN: 00039603), Whole Time Director of the Company 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 an Special Resolution:

“RESOLVED THAT pursuant to Section 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, consent of the Company be and is hereby accorded for re-appointment of Shri. RM. Lakshmanan (DIN: 00039603) as Whole Time Director of the Company, who shall be liable to retire by rotation, for a period of five years with effect from 01st April 2015 on a remuneration and terms and conditions as set out in the explanatory statement.”

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“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, during the tenure of Shri. RM. Lakshmanan, the remuneration by way of salary, perquisites and other allowances as stated in the explanatory statement be paid to Shri. RM. Lakshmanan as minimum remuneration provided the total remuneration by way of salary and perquisites shall not, unless approved by the Central Government, exceed the ceiling provided in Section II of Part II of Schedule V of the Companies Act, 2013 or within such ceiling limits as may be prescribed under Schedule V from time to time.”

By Order of the Board

Chennai
31.07.2015

RM.Lakshmanan
Whole Time Director
(DIN: 00039603)

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN (10) PERCENT OF TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS.**

The Instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to special businesses to be transacted at the Annual General Meeting is annexed hereto.
3. Revenue stamp should be affixed on the Proxy form. Forms which are not stamped are liable to be considered invalid. It is advisable that the Proxy holder's Signature may also be furnished in the Proxy Form, for identification purpose.
4. The Register of Members and Share Transfer Books will remain closed from 17th September, 2015 to 23rd September, 2015 (both days inclusive).
5. Members are requested to notify immediately any change in their address to the Company specifying the full address in block capitals with pin code of the Post office etc.
6. Members are requested to quote their Folio Number in the Correspondence.
7. 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.
8. 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.
9. Members are requested to hand over the attendance slip duly signed at the entrance of the meeting Hall.
10. Registration starts at 10.30 a.m. at Mahalaya Residency, No.114, GST Road,(Opposite to Areva) Pallavaram Chennai- 600 043 on Wednesday the 23rd September, 2015
11. Details as required under Clause 49 of the Listing Agreement in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/ re-appointment.

12. Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under, the 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 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 Friday, 16th day of September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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

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- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant “EURO LEDER FASHION LIMITED” on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) 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.
- (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.
- (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.

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- (xi) 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.

13. Details of Director proposed for re-appointment:

Shri.RM. Lakshmanan holds directorship in the Company since its incorporation. He holds a degree in B.Com. He has played vital role in the growth of the Company and made significant contributions towards operations and management of the Company as a Whole-Time Director. He holds 10,80,495 Equity shares in the Company. Shri.RM. Lakshmanan holds directorship in the following companies:

- a) Euro Prime Properties Private Limited
- b) Leder Trendz Private Limited

None Of the Directors are considered as interested in the resolution set out as Item No.02

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Explanatory Statement Pursuant to Section 102(1) of the Companies Act, 2013 for Item No. 4:

Smt. Jayamalini (DIN: 07165811), aged 37 years, is a Non-Executive Independent Director of the Company. Smt. Jayamalini holds B.A degree from University of Madras.

Pursuant to Section 161 of the Companies Act, 2013, Smt. Jayamalini was co-opted by the Board of Directors as an Additional Director (Independent Director) with effect from 27th April 2015, she holds office till the conclusion of this Annual General Meeting of the Company. The Company has received a notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Smt. Jayamalini for the office of Director of the Company. Smt. Jayamalini has given a declaration to the Board that she meets the criteria of independence as provided under Section 149(7) of the Act and not disqualified from being appointed as a Director in terms of Section 164 of the Act. Therefore, it is proposed to confirm the appointment of Smt. Jayamalini as an Independent Director under Section 149 of the Companies Act, 2013, and Clause 49 of the Listing Agreement to hold office for Two (2) consecutive years commencing from 23.09.2015.

In the opinion of the Board Smt. Jayamalini fulfills the conditions specified in the Act and rules made there under for her appointment as an Independent Director of the Company and is independent of the management.

The Board considers that her association would be of immense benefit to the Company and it is desirable to appoint Smt. Jayamalini as an Independent / Woman Director. Accordingly, the Board recommends the resolution in relation to confirmation of appointment of Smt. Jayamalini as an Independent Director, for the approval by the shareholders of the Company. In terms of provisions of Section 149(13) of the Companies Act, 2013, Smt. Jayamalini shall not be liable to retire by rotation.

Smt. Jayamalini is not a Director in any other Company and does not hold any shares in the Company.

Except Smt. Jayamalini, being an appointee, none of the 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. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Explanatory Statement Pursuant to Section 102(1) of the Companies Act, 2013 for Item No. 5:

Shri. RM. Lakshmanan was reappointed at the 20th Annual General Meeting held on 27th September, 2012, as WholeTime 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 the following terms and conditions:

- a) Salary;Rs.40,000/- per month
- b) Perquisites:

1) Housing

i) 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.

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DIRECTORS REPORT TO THE MEMBERS

Your Directors take pleasure in presenting the Twenty Third Annual Report and that of the Auditor's together with the audited Balance Sheet as at 31st March 2015 and the Profit/ Loss Account for the year ended on that date.

FINANCIAL PERFORMANCE		(Rs. in lakhs)
PARTICULARS	2015	2014
Total Income	5139.46	6928.07
Total Expenses	5070.84	6538.49
Profit before Depreciation and Taxation	68.62	389.57
Less:		
Depreciation	20.07	17.65
Profit before Tax	48.54	371.92
Provision for Tax	20.61	18.11
Profit after Tax	27.93	353.81
Profit brought forward	633.91	280.10
Profit available for appropriation	661.84	633.91
Profit/Loss carried to Balance Sheet	661.84	633.91

PERFORMANCE:

The Company has earned a total income of Rs.5139.46 Lakhs during the 2014-15 and earned a profit before tax of Rs.48.54 Lakhs. The total profit after tax in 2014-15 is Rs.27.93 Lakhs compared to Rs.353.81 Lakhs in 2013-14

During the year the Company has received insurance claim settlement amounting to Rs.42,29,575/- for Nagelkeni Unit and Rs.7,08,013/- for Uthiramerur Unit for damages caused by strong winds and rainfall.

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.

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 and the company has received an amount of Rs. 23,80,167/- towards the calls in arrears and the Paid Up capital as on 31st March, 2015 is Rs. 3,63,70,500/-.

DEPOSITS:

The Company has not accepted any deposits during the period under review as envisaged under Section 73, 74 & 76 of the Companies Act, 2013

LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not provided loans and guarantees and nor made investments pursuant to Section 186 of the Companies Act, 2013.